



Gardeen Housing Association Ltd
Building a Better Future

Gardeen Housing Association

Risk Management Policy

Implemented	2024
Next Review	2025 unless there is a change in legislation or change in the Regulators Guidance Notes, changes in the Law of Association procedures or best practice.

A: Governance and Accountability

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1 Introduction

The concept of risk management or more appropriately, the management of risk, is to minimise the possibility of an event happening, which shall result in loss, damage or injury. The concept of risk and uncertainty is becoming increasingly important to organisations of all types. Although uncertainty and risk cannot be eliminated completely, much can be done to reduce the impact which they may have on the resources of Gardeen Housing Association.

Housing Associations in particular have an economic and, often, a statutory duty to ensure its tenants, employees and assets are exposed to a minimal level of risk at all times. Failure to do so is likely to result in either direct financial loss (replacement of assets) or indirect financial loss (hidden costs) to the organisation.

To reduce the likelihood of loss, Gardeen Housing Association has implemented a process whereby risk is actively identified managed and controlled. Without such a policy, unplanned losses are likely to have an undesirable impact on resources and service provision.

Insurance and risk management should not be confused. Insurance involves the transfer of risk in return for a financial payment while the management of risk is intended to minimise the chance of damage, loss or injury occurring in the first instance, whether or not insurance is in place.

All sections within the Association and the Association as a whole will be exposed to specific risks and the primary purpose of the policy is to detail steps taken, or to be taken, in order to reduce that level of risk.

2 The Scope of the Policy

2.1 The Association's risk management policy applies to all areas of activity of the organisation:

- Overall Governance of the Association
- Housing Management & Maintenance
- Finance & Administration
- Development
- Wider Role
- Funding

All Management Committee and Staff members shall have access to the policy statement.

2.2 **Risk Management Process**

The risk management process involves Identifying, Evaluating and Controlling all Risks associated with the Association. The process, however, is complicated by the diversity in nature of possible risks that could affect the organisation. A number of techniques are available to the Association in controlling risks identified.

The main techniques are:

- Risk Avoidance
- Loss Prevention
- Risk Retention
- Risk Transfer

Risk Avoidance

This technique involves the organisation controlling risk by avoiding the property, person or activity altogether. An avoidance strategy would, for example, recommend the suspending of all ground maintenance operations thereby reducing all risks associated with the activity. Depending on the activity in question, it may be inappropriate for the Association to engage a risk avoidance strategy as it may conflict with the wider role of the organisation.

Loss Prevention

Prevention programs form the focus of risk management initiatives. Prevention programs aim to control risk by altering the environment in which the person, property or activity exists. By minimising the chance of loss or damage to Association property, the organisation can reduce its exposure to claims and therefore reduce the overall cost of risk.

Retention

Risk retention involves the organisation bearing the financial consequences of loss through its own resources. Retention covers a number of possibilities from self - insurance to non-insurance. Self-insurance involves advance contingency planning to ensure the organisation is in a position to fund the cost of losses.

Risk Transfer

This technique involves the contractual transfer of the financial burden of loss to another entity in return for a premium. The main technique used to transfer risk is insurance. The premiums demanded by insurers depend on a number of factors including, type of risk, security measures employed, general market conditions and importantly loss history. In the consideration of loss history, insurers look closely at loss frequency rather than the value of individual losses.

In most cases, organisations implement a policy between full risk retention and full risk transfer. This is generally achieved by the use of a deductible (excess) under which the insured is responsible for the first part of each and every loss.

Risk avoidance and risk prevention can both be described as proactive loss reduction strategies as they are designed to reduce the likelihood of a loss occurring. Risk retention and risk transfer are passive activities as they are only brought into use after a loss has occurred.

Monitoring of Risk Management

The Management Committee of Gardeen Housing Association shall monitor the Risk Management Policy through regular reports. These are detailed in the Assessment Model. The Management Committee shall also discuss the issue of risk on an annual basis at the Business Planning Day.

Scottish Housing Regulator

Gardeen Housing Association is regulated by the Scottish Housing Regulator. The Association is currently rated as a low risk. The Scottish Housing Regulator uses Regulatory standards to monitor the work of the Association.

3 Regulatory Standards of Governance and Financial Management

1.	The governing body leads and directs the registered social landlord to achieve good outcomes for its tenants and other service users
2.	The registered social landlord is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
3.	The registered social landlord manages its resources to ensure its financial wellbeing and economic effectiveness.
4.	The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose
5.	The registered social landlord conducts its affairs with honesty and integrity.
6.	The governing body and senior officers have skills and knowledge they need to be effective.
7.	The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

4 Risk Management Model

Focus on risks peculiar to Gardeen Housing Association was assisted by the use of a five point risk model (Appendix 1) aimed at identifying, ranking and assigning the responsibility of risk within the organisation. In identifying these risks a further distinction was made between Operational Risk and Strategic Risk, Strategic Risk being that more likely to have long lasting effects on the Association.

Table 2

	<i>STRATEGIC RISK</i>	<i>OPERATIONAL RISK</i>
SOURCE	EXTERNAL	INTERNAL
EFFECTS	MEDIUM/LONG	SHORT/MEDIUM TERM
CONTROLABILITY	TERM LOW	HIGH

The risk assessment was carried out by appraising each section individually with reference to the likely effect on the organisation as a whole. This was as a result of a joint exercise carried out by Staff and Committee. The identified risks are shown in Appendix 2 and listed in order of greatest potential impact. Individuals responsible for monitoring each risk and the frequency of monitoring are shown.

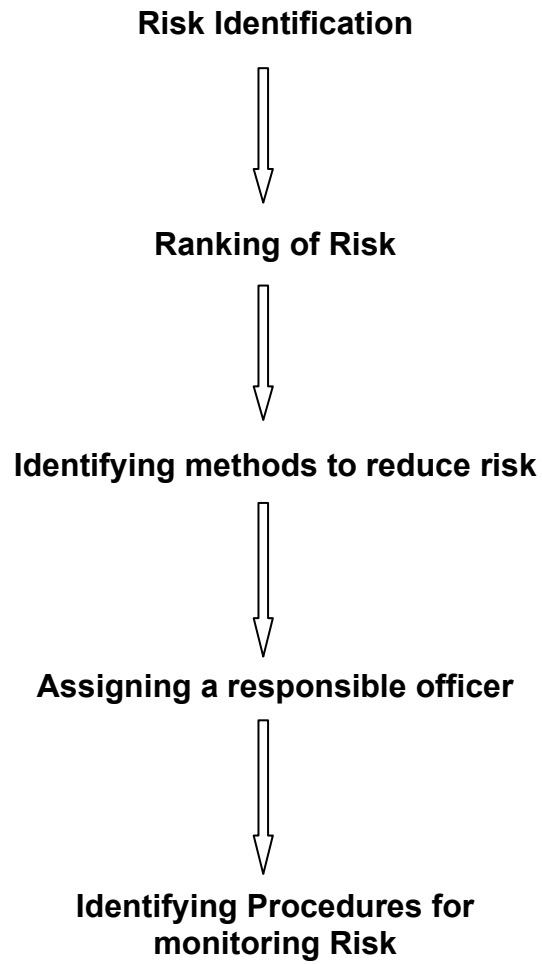
Appendix 2 assesses the financial impact of these risks on the overall viability of the Association. The assessment considers how financially able the organisation is to withstand risks identified as low, medium and high.

5 Review

This policy will be reviewed every year by the Management Committee of Gardeen Housing Association.

APPENDIX 1

RISK MANAGEMENT PROCESS



Appendix 2

Risk Assessment

Objective

The purpose of this document is to identify the major risks to which the Association is exposed, in which risk is defined as the probability of loss to the Association through fraud, lack of internal control, waste and other causes. The following represents a list of key risk areas particular to Gardeen Housing Association, identifies possible controls, identifies the officer responsible for controlling risk and states the frequency of risk monitoring. In ranking the impact and probability on the organisation gradings of 1 to 3 have been assigned. A grading of 1 represents a low potential impact/probability and 3 a high potential impact/probability.

Contents

Section 1	Governance
Section 2	Finance
Section 3	Housing Management
Section 4	Maintenance
Section 5	Health and Safety

1. Governance

Loss/ Retirement of Key Member of Staff

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Loss of Expertise and experience ▪ Costs of Recruiting ▪ Costs of Retraining ▪ Staff Sickness ▪ Notifiable Event ▪ Options Appraisal ▪ Scottish Housing Regulator Intervention ▪ Regulation Plan ▪ Additional Costs 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	Medium High Medium
Minimised by:	<ul style="list-style-type: none"> ▪ Staff Training and Development ▪ Regular Appraisal Interviews ▪ Regular Staff Meetings and Effective Communication ▪ Investors in People and Healthy Working Lives ▪ Regular Support Meetings ▪ Committee training ▪ Succession Planning ▪ EVH membership and support ▪ Access to Temporary Staff ▪ Succession Plan ▪ Appointment of Consultants ▪ Internal Audit ▪ Business Plan ▪ Retirement Discussions 	TOTAL
Responsibility	Management Committee	
Monitored by:	Management Committee	

Computer Virus / Loss of Data Through Fire/Flood to Office/Third Party Hacking/cyber Crime

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Loss of Tenant Records ▪ Loss of Financial Data/payment /income Cost of Data reconstruction ▪ Ransom malware ▪ External Image ▪ Trust/Reputational Damage ▪ Fine from GDPR Ombudsman 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p>Medium Medium Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Daily Back-ups held off site by Staff member ▪ Regular Virus Checks by external Consultant ▪ Clearview external contractors ▪ Monitoring Internet Downloads ▪ Insurance Cover/Maintenance with external Consultant ▪ Anti-virus software monitored and updated regularly ▪ Annual review by Clearview IT consultant ▪ Insurance ▪ Annual training for staff and committee ▪ Annual meeting with insurer ▪ GDPR Compliance Training ▪ Passwords ▪ Secure Drives ▪ Internal Audit ▪ Cyber Essentials Recognition ▪ 2 stage passwords installed 	
Responsibility	All staff and Committee	
Monitored by	<ul style="list-style-type: none"> ▪ Director ▪ Input from external consultant 	

Staff Absence and Retirement

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Loss of staff input ▪ Impact on Performance ▪ Impact on other staff members ▪ Increased workload ▪ Stress levels and sickness increase 	
Ranking	<ul style="list-style-type: none"> ▪ Finance Impact ▪ Probability 	Medium
	TOTAL	Medium
Minimised by	<ul style="list-style-type: none"> ▪ Absence Management Policy ▪ Back to work and interviews ▪ Staff Support and Counselling ▪ Investors In People and Healthy Working Lives ▪ Regular Support Meetings ▪ Member of Employers in Voluntary Housing ▪ Referral to Counselling Agency through EVH ▪ Employment of temporary staff ▪ Monthly support at office bearer meetings 	Medium
Responsibility	<ul style="list-style-type: none"> ▪ Director 	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Monitoring Reports on Staff Sickness in ARC ▪ Benchmarking reports with other organisations 	

Poor Decision Making

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Committee unable to make decisions ▪ Lack of decision making ▪ Decisions made with poor information ▪ Senior Staff making decisions ▪ Risk of Intervention ▪ Reduced Lender confidence ▪ Scottish Housing regulator intervention ▪ Cost of intervention ▪ Lack of strategic planning ▪ Low number of committee members ▪ Committee members not members ▪ Committee factions ▪ Poor staff and committee relationships ▪ Lack of professionalism between chair and senior staff ▪ Risk of takeover/merger/loss of independence 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p>Medium Low Low</p>
Minimised by	<ul style="list-style-type: none"> ▪ Training for Committee Members ▪ Annual Training Plan ▪ EHRA training Programme ▪ Networking for Committee Members ▪ Support for Committee Members ▪ External/Internal training opportunities ▪ Internal Audit ▪ Role of Auditors ▪ Staff and Committee Appraisals ▪ Finance Agent ▪ Maintenance Agent ▪ External Consultants ▪ Annual Governance training ▪ Annual Report on membership ▪ Emergency contact details for committee ▪ Whistleblowing Policy • Membership of GWSF 	
Responsibility	<ul style="list-style-type: none"> ▪ Management Committee 	
Monitored by	<ul style="list-style-type: none"> ▪ Quarterly reports to Committee on training for Staff and Committee ▪ Information provided on training opportunities ▪ Internal audit and committee review ▪ Membership of SFHA, EHRA, Scottish Housing Network, GWSF 	

Failure to Perform

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Lost income ▪ Unable to meet covenants ▪ High Risk assessment by Scottish Housing Regulator ▪ Staff and Committee relationship breaks down ▪ Risk of Intervention and merger ▪ Loss of Lender confidence ▪ Engagement with SHR ▪ Relationship with lenders changes ▪ Regulation Plan ▪ Poor staff performance ▪ Impact on service to tenants 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p>Medium Medium Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Regular performance reports to Committee ▪ Training for Staff and Committee ▪ Benchmarking reports with other organisations ▪ Embed performance culture within Gardeen ▪ Annual Planning Day ▪ Internal Audit ▪ Commitment to improve performance ▪ Monitoring reports ▪ Tenant feedback ▪ Staff and Committee Appraisals ▪ Intervention by internal and external Auditor ▪ Intervention by Scottish Housing Regulator ▪ Whistleblowing ▪ External Consultants ▪ Business Plan ▪ Annual Assurance Statement 	
Responsibility	<ul style="list-style-type: none"> ▪ Director/Management Committee 	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Monthly performance reports to Management Committee ▪ Annual Planning Day ▪ Benchmarking Reports ▪ External Monitoring by Scottish Housing Regulator ▪ Benchmarking Reports ▪ External Monitoring by banks ▪ Monitoring by OSCR and FSA ▪ Internal Audit Reports ▪ Appointment of external consultants 	

Failure to Comply with Changes in Legislation

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Gardeen acts illegally ▪ Gardeen becomes liable for additional risks ▪ Tenants are treated unfairly ▪ Intervention by Scottish Housing Regulator ▪ Fines from GDPR ▪ Loss of confidence from tenants ▪ Reputational damage ▪ Loss of reputation in community 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Training for Staff and Committee ▪ Regular networking for Staff and Committee ▪ Implementation of legislation within organisation ▪ Internal Audit ▪ Support and advice from external agencies ▪ Independent Insurance and legal advice ▪ Membership of outside bodies ▪ External consultants ▪ Whistleblowing ▪ SFHA and GWSF Membership 	
Responsibility	<ul style="list-style-type: none"> ▪ Director 	
Monitored	<ul style="list-style-type: none"> ▪ Management Committee ▪ Updates on changes in legislation ▪ Action Plans arising from changes in legislation ▪ Trained Staff and Committee 	

Failure to Maintain Good Public Relations

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Gardeen loses confidence of Tenants and Lenders ▪ Tenants and owners move away ▪ Failure to meet the Charter ▪ Affects relationship with partners ▪ Behaviour of Staff and Committee Members affects reputation of Association and the housing movement ▪ Reputational Damage ▪ Social Media criticism 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Support for Staff and Committee ▪ Awareness of expected behaviours through training days ▪ Regular networking for Staff and Committee ▪ Internal Planning Days ▪ Newsletters and information to tenants ▪ Committee and staff appraisals ▪ Effective communication with tenants ▪ Openness and transparent approach Director 	
Responsibility	<ul style="list-style-type: none"> ▪ Independent Tenant satisfaction surveys ▪ Governance Reviews ▪ Internal Audit ▪ Governance Training 	
Monitored	<ul style="list-style-type: none"> ▪ Use of external consultants 	

Rise in Crime and Anti Social Behaviour

**2024
Assessment**

Risk	<ul style="list-style-type: none">▪ Tenants and owners move away because of concerns of neighbourhood▪ Bad publicity is generated▪ Staff become concerned for personal safety▪ Committee Members leave organisation▪ Staff turnover is high	
Ranking	<ul style="list-style-type: none">▪ Financial Impact▪ Probability <p style="text-align: right;">TOTAL</p>	High Low Medium
Minimised by	<ul style="list-style-type: none">▪ Effective partnership working▪ Work with Police and external Agencies▪ Use of Legislation ASBOs, ABCs to change behaviours▪ Early Intervention▪ Positive relationship with police and tenants	
Responsibility	<ul style="list-style-type: none">▪ Senior Housing Officer	
Monitored	<ul style="list-style-type: none">▪ Statistics from Council Agencies▪ Reporting to Management Committee▪ Partnership Meetings with Police and other agencies▪ Monitoring by Gardeen staff▪ Tenant reporting and confidence in Association	

Failure to Provide Tenant Satisfaction

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Gardeen acts without effective consultation ▪ Residents become dissatisfied and complain or leave area ▪ High void turnover ▪ Staff members become dissatisfied and leave ▪ Committee Members become dissatisfied with service from landlord and resign ▪ Poor results in Tenant satisfaction Survey ▪ Poor results in satisfaction returns ▪ Increase in complaints ▪ Intervention from Scottish Housing Regulator ▪ Regulation plan ▪ Potential loss of independence ▪ Whistleblowing reports to Regulator 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Effective communication ▪ Trained staff ▪ Trained committee ▪ Complaints Handling Procedure ▪ Responsive customer service ▪ Satisfaction surveys ▪ Newsletters ▪ Annual General Meeting ▪ Website ▪ Independent Tenant Surveys ▪ Positive social media ▪ Employment of external consultants ▪ 	
Responsibility	<ul style="list-style-type: none"> ▪ Senior Housing Officer 	
Monitored	<ul style="list-style-type: none"> ▪ Inclusive organisation service based on customer feedback ▪ Review of customer satisfaction levels ▪ Tenant satisfaction levels ▪ Regular Satisfaction Surveys ▪ On line satisfaction returns 	

Failure to Meet Compliance with Scottish Housing Regulator

		2024 Assessment
Risk	Failure to meet standards set by the Regulator	
	Failure to complete accurate ARC	
	Failure to provide information to Regulator	
	Failure to comply with all requests from SHR	
	Failure to provide accurate information to SHR	
	Failure to provide EESSH records	
	Failure to meet SHQS	
	Failure to provide finance returns	
	Failure to publish minutes	
	Failure to submit assurance statement	
Ranking	Financial Impact	High
	Probability	Low
		Medium

Minimized by	Keeping up to date with SHR practices	
	Training for Committee on risks	
	Attending SHN information events	
	Internal Audit	
	Committee Appraisal	
	Completion of all returns	
	External validation of ARC	
	Annual Governance Training	
	Support and scrutiny from External Consultants	
Responsibility	Director and Management Committee	
Monitored	Returns to Scottish Housing Regulator	
	Internal Audit	
	Committee and staff training	

Freedom of information (FOI)

		2024 Assessment
Risk	Failure to respond to FOI requests	
	Reputational damage	
Ranking	Financial Impact	Low
	Probability	Medium
		Medium

Minimized by	Refresher Training on FOI requirements for staff and committee.	
	Changes to complaints policy and recording	
	Monthly updates to Management Committee	
	Quarterly returns to Scottish Information Commissioner	
	SFHA and GWSF membership	
Responsibility	Director	
Monitored	Internal Audit	
	Annual Reports	

Failure to Manage Risks to Staff Effectively

		2024 Assessment
Risk	Failure to protect staff from risks at work	
Ranking	Financial Impact	Low
	Probability	Medium
		Medium

Minimized by	Lone working policy	
	Lone working training	
	Hybrid working	
	Health and safety training	
	Two pair visits	
	Panic Alarms in office and personal	
	Mobile phones	
	Effective communication	
Responsibility	Director and Management Committee	
Monitored	Health and safety audit	
	Tool box talks	
	Staff meetings	

Falling Committee Members – less than 7

		2024 Assessment
Risk	Failure to run the Association effectively	
	Notifiable event	
	Scottish Regulator involvement	
Ranking	Financial Impact	Medium
	Probability	Medium
		Medium

Minimized by	Advertise for Committee members	
	Encourage membership	
	Appoint individuals with skills	
	Appoint committee members from outwith Gardeen area	
	Review Membership of Committee on an annual basis	
Responsibility	Management Committee	
Monitored	Monthly agenda item	
	Regular Recruitment Drive	

2. **Financial**

<u>Investment Risk</u>		2024 Assessment
Risk	<ul style="list-style-type: none"> ▪ No Rates of Return Earned ▪ Financial Viability of Institutions Invested in ▪ Liquidity/access to funds ▪ Uncertainty in banking ▪ Failure to meet covenants ▪ Funds not invested properly ▪ Inappropriate borrowing strategy ▪ Breach covenants ▪ Incorrect investment strategy 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	High Medium medium
Minimised by	<ul style="list-style-type: none"> ▪ Strong Investment Policy ▪ Diversified Portfolio ▪ Finance Agent support and scrutiny ▪ Auditors ▪ Internal Audit ▪ Training for staff and committee 	
Responsibility	Director	
Monitored	<ul style="list-style-type: none"> ▪ Management Committee ▪ Quarterly Reports to Management Committee ▪ External Finance Agent – Quarterly Reports Auditors ▪ Internal audit 	
	TOTAL	

Interest Rate variances

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Rate rises or variable rate loans ▪ Effect on rents, comparability, cash flow requirements ▪ Rate reductions ▪ Uncertainty in banking ▪ Negative interest rates 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 1% 2% 3% 	<p>Medium Medium</p> <p>Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Re-financing ▪ Internal Audit ▪ Support and scrutiny from external finance consultant ▪ Director/Finance Agent 	
Responsibility	<ul style="list-style-type: none"> ▪ Management Committee ▪ Annual Treasury Report ▪ Report on Private Loans 	
Monitored	<ul style="list-style-type: none"> ▪ Internal Audit ▪ Quarterly Management Reports ▪ Auditors ▪ Finance Agent 	

Inadequate Financial Systems in Place

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Management Committee unable to make decisions due to lack of financial awareness ▪ Costs increase ▪ No cost control ▪ Unaware of covenants ▪ Fraud ▪ Cybercrime ▪ Notifiable Event ▪ SHR intervention 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Financial systems incorporated across organisation ▪ Programme of training for Staff and Committee ▪ Finance Agent advice and input ▪ 5year Budgets ▪ Long term finance plans ▪ Reporting to SHR ▪ Finance Awareness ▪ Internal Audit ▪ Auditors ▪ Annual training on fraud and cybercrime 	
Responsibility	<ul style="list-style-type: none"> ▪ Director/Finance Agent 	
Monitored	<ul style="list-style-type: none"> ▪ Quarterly Reports to Management Committee ▪ Annual budget/5year budgets ▪ Regular review of long term projections ▪ Auditor ▪ 	

Long Term Viability

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Garden unable to provide service to tenants ▪ Garden unable to remain independent ▪ Merger proposals imposed ▪ Increase in interest rates ▪ Increase in costs ▪ Increases in Regulation ▪ Reduction in income through welfare reform ▪ Planned maintenance costs ▪ Wheatley Group growth ▪ Poor performance ▪ Breach of covenants ▪ Transfer of small housing associations to larger ▪ Regulator Intervention ▪ Additional Regulatory Costs 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Medium Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Regular Review of Long Term Projections ▪ Cost Control ▪ Annual Budget/5 year budgets ▪ Monitoring of Costs ▪ Annual Planning Day ▪ Role of Auditor ▪ Finance Agent ▪ Internal Audit ▪ Performance targets ▪ Stock Condition Surveys 	
Responsibility	<ul style="list-style-type: none"> ▪ Director/Finance Agent 	
Monitored	<ul style="list-style-type: none"> ▪ Management Committee ▪ Annual Budget ▪ Management Accounts ▪ Loan portfolio ▪ Regular Review of Long Term Projections ▪ Maintenance Reports ▪ Benchmarking ▪ Quarterly Management Reports ▪ Internal Audit 	

Material Loss through Damage/Theft/Fraud/Claims

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Additional costs to Gardeen Housing Association and tenants ▪ Potential court action ▪ Reduced surplus ▪ Impact on long term projections and costs to Association ▪ Theft of data ▪ Cybercrime ▪ Data Ransom ▪ Reputational damage ▪ Notifiable Event ▪ SHR Intervention ▪ Additional Regulatory Costs 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Medium Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Alarmed office ▪ Fixed Asset Register ▪ Inventory ▪ Finance Agent scrutiny ▪ External I.T Consultant monitoring of viruses ▪ System of checks and balances within financial system ▪ Insurance ▪ Robust Health and Safety Inspections and inspections ▪ Role of insurance broker ▪ Back up off site ▪ Adequate Insurance ▪ Cyber training 	
Responsibility	<ul style="list-style-type: none"> ▪ Management Committee 	
Monitored	<ul style="list-style-type: none"> ▪ Reports on any incidents would be made to Management Committee/police/auditor/Insurance ▪ Staff and committee training 	

Increasing Pressures on Efficiencies

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Increasing pressure to merge from Scottish Housing Regulator ▪ Inability to meet targets ▪ Poor performance ▪ Increasing costs including pensions ▪ Closer scrutiny by Regulator and banks ▪ Pension Liabilities ▪ increase in costs ▪ Loss of contractors ▪ Breach of covenants ▪ Health and Safety Costs and Impact 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	High
Minimised by	<ul style="list-style-type: none"> ▪ Monitoring Performance ▪ Maintain control of finance ▪ Benchmarking ▪ Self-assessment ▪ 5 year budgets ▪ Annual budget ▪ Finance Agent scrutiny ▪ Management accounts ▪ Long term projections ▪ Effective management and maintenance service ▪ Internal Audit ▪ Whistleblowing ▪ Auditors ▪ Assurance Statements 	TOTAL
Responsibility	<ul style="list-style-type: none"> ▪ Director ▪ Finance Agent ▪ Senior Housing Officer 	High
Monitored	<ul style="list-style-type: none"> ▪ Management Committee ▪ Quarterly Benchmarking Reports ▪ Annual Accounts ▪ 5 year budgets ▪ ARC 	High

	<ul style="list-style-type: none">▪ Internal Audit▪ Quarterly Management Accounts▪ Auditors	
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3. Housing Management

<u>Extensive Fire Damage</u>		2024 Assessment
Risk	<ul style="list-style-type: none"> ▪ Injury Death of Tenant ▪ Loss of Accommodation ▪ Decanting of Tenants ▪ Loss of Rental Income 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	Low Medium Medium
Minimised by	<ul style="list-style-type: none"> ▪ Insurance Cover ▪ Maintenance and replacement of Smoke Alarms ▪ Electrical inspections ▪ Advice to Residents ▪ Training staff as fire wardens ▪ Basic fire training ▪ Robust health and safety framework ▪ Regular property inspections ▪ Fire risk assessments ▪ Internal Audit 	TOTAL

Responsibility	<ul style="list-style-type: none"> ▪ SHO 	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Maintenance Systems in place to reduce impact of serious fire ▪ Electrical checks ▪ Property Management inspections 	

Rental Income

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Increasing levels of arrears ▪ Delays in Housing Benefit ▪ Reduction in Housing Benefit ▪ Bad Debts ▪ Voids ▪ Reductions in benefit ▪ Welfare reform and loss of income ▪ Affordability ▪ Impact of inflation ▪ Universal Credit ▪ ▪ Loss of income ▪ Rise in living costs 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Medium Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Robust Arrears Policy and Void Policy ▪ Regular Monitoring of arrears levels 	

<p>Responsibility</p> <p>Monitored by</p>	<ul style="list-style-type: none"> ▪ Eviction Procedures ▪ Liaison with Housing Benefit Staff ▪ Benchmarking ▪ Early intervention ▪ ▪ Partnership with Connect ▪ Training for staff ▪ Internal Audit ▪ Assistance for tenants ▪ Claims for tenants to secure white goods. ▪ Welfare Grants <p>▪ Senior Housing Officer</p> <ul style="list-style-type: none"> ▪ Quarterly reports to Committee on Rent Recovery Performance ▪ Benchmarking report Quarterly Management Accounts ▪ Internal Audit ▪ Auditors ▪ Finance Agent 	
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Ineffective Estate Management

**2023
Assessment**

<p>Risk</p> <p>Ranking</p>	<ul style="list-style-type: none"> ▪ Tenants move away ▪ Properties cannot be let ▪ Increase in anti-social behaviour ▪ Complaints levels increase ▪ Intervention by Scottish Housing Regulator and additional regulatory costs ▪ Staff and Committee Members leave ▪ Complaints to Ombudsman ▪ Tenant Satisfaction levels fall <p>▪ Financial Impact</p> <p>▪ Probability</p> <p style="text-align: right;">TOTAL</p>	<p>Medium</p> <p>Low</p> <p>Medium</p>
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<p>Minimised by</p>	<ul style="list-style-type: none"> ▪ Regular inspections ▪ Programme of planned and reactive maintenance ▪ Engagement of Contractors and Approved List of Contractors ▪ Monitoring estate management contractors ▪ Liaison with GCC and councillors re lighting roads and refuse collection. ▪ Partnership with other agencies 	
<p>Responsibility</p>	<ul style="list-style-type: none"> ▪ Senior Housing Officer 	
<p>Monitored by</p>	<ul style="list-style-type: none"> ▪ Quarterly report to Management Committee 	

4. Maintenance

Property Maintenance – Stock Condition and Compliance with Scottish Housing Quality Standard and EESH

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Major Repairs Programme – additional costs ▪ Cash Flow problems ▪ Costs associated with Compliance of SHQS and major repairs ▪ Failure to comply with SHQS ▪ Failure to meet EESH ▪ Impact on covenants 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Targeted Cyclical Repairs Programme ▪ Sufficient Build-Up of Major Repairs Reserve ▪ Programme of Improvement works ▪ Trained Staff ▪ Maintenance Consultant ▪ Compliance with Health and Safety ▪ Stock Condition survey ▪ Life Cycle costings ▪ Compliance with covenants ▪ Internal Audit ▪ Borrowing options to fund improvement works ▪ Finance Agent scrutiny ▪ Health and Safety checks 	
Responsibility	<ul style="list-style-type: none"> ▪ Senior Housing Officer/Finance Agent/Maintenance Agent/Director 	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Quarterly report to Committee on Maintenance Spend ▪ Review of long term projections and cash flow ▪ Quarterly meetings with staff and agency team 	

Property Maintenance – Works

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Claims for damage caused by works ▪ Right to Repair claims ▪ Poor quality work ▪ Tenant dissatisfaction ▪ Poor tenants satisfaction results ▪ Reduction in availability of contractors 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	<p>High Low Medium</p>
Minimised by	<p style="text-align: right;">TOTAL</p> <ul style="list-style-type: none"> ▪ Compliance with CDM Regulations ▪ Frame work of Contractors ▪ Effective Maintenance Policy and adherence to procedures ▪ Robust health and safety framework ▪ Insurance in place ▪ Consultant input ▪ Insurance procedures in place ▪ Health and Safety Inspections 	
Responsibility	Senior Housing Officer	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Quarterly report to Committee on Maintenance Costs ▪ Framework of Contractors ▪ Quarterly meetings with staff and agents ▪ Annual management meeting with maintenance consultant 	

Increased Costs

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Impact on Financial Viability ▪ Impact on Projected Surpluses ▪ Inability to Provide Service ▪ Cash Flow Problems ▪ Impact on covenants with the bank ▪ Increased scrutiny by Regulator ▪ Poor performance ▪ Reduction in service ▪ Impact on Tenant Satisfaction levels ▪ Loss of independence 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	<p style="text-align: center;">High Low Medium</p>
Minimised by	<ul style="list-style-type: none"> ▪ Effective Cost Control ▪ Planned Programme of Improvement Works ▪ Budget Planning ▪ Long Term Projections ▪ Quarterly Management Accounts ▪ Ability to borrow ▪ 5 year budgets ▪ Internal Audit ▪ Audit ▪ Finance Agent 	
Responsibility	<ul style="list-style-type: none"> ▪ Senior Housing Officer 	
Monitored by	<ul style="list-style-type: none"> ▪ Management Committee ▪ Quarterly finance reports to Management Committee ▪ Effective communication between Housing Staff and Finance Agent ▪ Quarterly Management Accounts ▪ Quarterly meetings with staff and finance agent 	

Poor Contractor Performance

2024

		Assessment
Risk	<ul style="list-style-type: none"> ▪ Poor repairs service ▪ Increased costs ▪ Increased complaints ▪ Risk to Health & Safety ▪ Failure to comply with Scottish Housing Quality Standard ▪ Low satisfaction levels ▪ Significant performance failure ▪ SHR regulation and regulatory costs ▪ Health and Safety costs ▪ Loss of contractors – post pandemic 	
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability 	Medium Medium Medium
	TOTAL	
Minimised by	<ul style="list-style-type: none"> ▪ Effective programme of repairs ▪ Regular inspections ▪ Post and Pre inspections ▪ Framework of contractors ▪ Internal Audit ▪ External maintenance consultant support ▪ Quarterly review of performance ▪ Monitoring performance systems ▪ Option to remove a contractor ▪ Framework of contractors review 	
Responsibility	<ul style="list-style-type: none"> ▪ Senior Housing Officer 	
Monitored by	<ul style="list-style-type: none"> ▪ Quarterly Reports to Management Committee ▪ Quarterly Reporting of contractors ▪ Satisfaction surveys ▪ Maintenance Agent and finance agent scrutiny 	

Failure to Comply with Health & Safety Legislation

**2024
Assessment**

Risk	<ul style="list-style-type: none"> ▪ Danger to tenants ▪ Litigation ▪ Affect reputation of Gardeen Housing Association ▪ Scottish Housing Regulator intervention ▪ Failure to Manage Legionella Risk ▪ Failure to manage gas servicing ▪ Failure to manage asbestos risk ▪ Failure to manage electrical risk ▪ Failure to manage fire risks ▪ Failure to manage dampness 	<p>High Medium Medium</p>
Ranking	<ul style="list-style-type: none"> ▪ Financial Impact ▪ Probability <p style="text-align: right;">TOTAL</p>	
Minimised by	<ul style="list-style-type: none"> ▪ Framework of contractors ▪ Internal Audit ▪ Pre and Post inspections ▪ Maintenance Programme to maintain / replace components ▪ Dampness and condensation policy and procedures introduced ▪ Input from Insurer ▪ Maintenance Consultant input ▪ Robust programme of health and safety ▪ Health and safety Audit 	
Responsibility	<ul style="list-style-type: none"> ▪ Director 	
Monitored by	<ul style="list-style-type: none"> ▪ Reports to Management Committee ▪ Inspection reports ▪ Health and Safety Audit 	

Development

		2024 Assessment
Risk	Risk of increased costs	
	Risk of increased private finance	

	Risk of higher rents Risk of bankruptcy	
Ranking	Financial Impact	High
	Probability	Medium
		High
Minimised by	Development agent Finance agent Maintenance Agent Regulatory guidance	
Responsibility	Director Management Committee	
Monitored	Finance Agent Development Agent Maintenance Agent	

Environmental Risks

		2024 Assessment
Risk	Risk of costs to meet energy and carbon reductions costs	
	Risk of failure to comply with legislation and regulatory guidance Risk of flooding and bad weather events	
	Monitor legislation from Scottish Government on net zero	
Ranking	Financial Impact	High
	Probability	Medium
		High
Minimised by	Finance agent Maintenance Agent Regulatory guidance Staff Training	
Responsibility	Director Senior Housing Officer Management Committee	
Monitored	Maintenance Agent	

Cyber Security

		2024 Assessment
Risk	Risk of losing data and compromise of IT systems	
	Breach of Data Notifiable Event	
	Ransom Software	
Ranking	Financial Impact	High
	Probability	Medium
		High
Minimised by	External IT consultant Cyber Essentials to be secured Training for staff and committee	
Responsibility	Director Senior Housing Officer Management Committee	
Monitored	Director	

Health and Safety For tenants

		2024 Assessment
Risk	Risk to tenants from Gas, fire, electricity, asbestos and legionella and dampness and condensation	
	Risks to tenants by failure to ensure health and safety works Notifiable Event	
Ranking	Financial Impact	High
	Probability	Medium
		High
Minimised by	Maintenance Agent Insurance advice and support Regular inspections reports Planned and reactive repairs Training for staff and committee Asbestos, gas, electric and dampness and condensation and Legionella register Reports to Management Committee on quarterly	

	basis	
Responsibility	Director Maintenance Agent Senior Housing Officer	
Monitored	Senior Housing Officer	

Property Condition

		2024 Assessment
Risk	Risk to tenants from dampness and condensation	
	Risks to health from spores Notifiable Event	
Ranking	Financial Impact	Medium
	Probability	Medium
		High
Minimised by	Maintenance Agent Insurance advice and support Regular inspections reports Planned and reactive repairs Training for staff and committee Dampness Register	
Responsibility	Director Maintenance Agent Senior Housing Officer	
Monitored	Senior Housing Officer	