

Risk Number	Risk	Business plan assumption	Risk Owner	Risk Type	Pre-mitigation Likelihood (out of 5)	Pre-mitigation Impact (out of 5)	Pre-mitigation Risk Score (out of 25)	Mitigation	Post-mitigation Likelihood (out of 5)	Post-mitigation Impact (out of 5)	Post-mitigation Risk Score (out of 25)	Comparison to last report	Risk Status	Comment
1	*There is a risk loss of income as a result of poor quality housing stock	The potential consequence of this risk materialising is that the Company's income is insufficient to cover the expenditure required to maintain good quality housing stock	First Wave	Operational & Financial	4	4	16	A stock condition survey has also been carried out, figures still need to be analysed. However, it is anticipated that the Company will need to invest £2.2m a year into its stock. Cash flow will become an issue after three to four years. Options are being explored to remedy cash flow issues. Officers will also work with Brent Asset Management to understand and prioritise works. Officers are due to receive accurate stock condition survey in Q1 2020. They will work with the finance team to review spend against budget.	3	4	12		Open - Live Issue	14/11/2019: Live Issue. 20/01/2020: Mitigation amended to include upcoming accurate stock condition survey.
6	There is a risk that void periods will exceed the business plan	The potential consequences of this risk materialising is the company has fewer properties able to receive rent and therefore income would reduce whilst expenditure potentially increases. Additional costs such as council tax costs to the company increase during void periods.	First Wave	Financial & achieving operational objectives	4	3	12	First Wave has built the requirement to cooperate to ensure void periods are minimised into the contracts with housing management and void contractors. BHM are carrying out a review into their voids process. As a result of Covid-19, the Company may face longer void times. Current government guidance discourages people from moving house during the UK lockdown.	4	3	12		Open	15/10/2019: There are currently 4 void properties for FWH. We will work with Housing Management to understand how this can be better mitigated in the future. 14/04/2020: Mitigation amended to reflect the impact of Covid-19. 27/04/2020: Likelihood increased as a result of Covid-19.
2	There is a risk of reduction in income in market rent because the properties cannot achieve market rent yield	The business plan assumes that market rent achieves 20% uplift over LHA	First Wave	Financial	5	2	10	Where market rented properties are not achieving LHA rent levels, the 2019/20 Business Plan proposes to amend the tenure of these properties once they become void in order to increase rental income.	4	1	4		Open	17/01/2019: New mitigation. Risk reduced.
4	There is a risk that First Wave policies and procedures specific to the non-social housing tenures e.g., market rent and intermediate rent are not applied appropriately	The failure to adhere to core policies and procedures could lead to a financial and reputational risk to the company	First Wave	Operational & Financial	3	3	9	An audit into FWH rent setting and rent collections found no issues in how rents have been set. Rent setting exercise for 2020/21 applied a 2.7% increase for intermediate and market rented properties.	2	3	6		Open	15/10/2019: Mitigation amended. 14/04/2020: Mitigation amended to reflect the findings of the rent setting audit.
5	There is a risk that business plan rent collection rates are not achieved and bad debt exceeds business plan assumptions.	The potential consequences of this risk materialising is the company's income is insufficient to cover its expenditure.	First Wave	Financial	3	3	9	Rent collection rates are monitored at monthly First Wave board meetings and remain consistent at around 100%. Brent Housing Management who deliver housing management services for First Wave have in place an action plan for Universal Credit implementation. A rent collection audit has been carried out. It is recognised that Covid-19 may impact FWH's rent collection rates. Letters have been sent to tenants to encourage them to contact BHM should they face financial difficulty.	3	3	9		Open	14/05/2019: Audit on rent collection identified for 2019/2020 20/01/2020: Mitigation has been amended to include the recent rent collection audit. 14/04/2020: Mitigation amended to reflect the impact of Covid-19. 23/04/2020: Likelihood score increased by 1, as a result of Covid-19.

9	There is a risk of Fraud to the company	The Company faces a range of fraud risks. Fraud could result in a loss of income and/or reputational damage to the company and the Council	i4B	Fraud	2	3	6	An internal audit into the fraud risks the company faces was carried out in 2018. Actions from the audit have since been implemented. The Board will review fraud risks on an annual basis.	1	3	3		18/10/19: Fraud risks 9.1 to 9.5 merged.
7	There is a risk that First Wave is deemed to have failed a statutory health and safety obligation as a landlord	The SLA places a requirement on Brent Council to deliver this function, but is unable to transfer the risk of non-compliance with legislation e.g. H&S, gas safety etc. Failure to comply with H&S requirements increases the opportunity for hazards including the causing of death. The ultimate penalty for failure to abide by statutory H&S requirements is imprisonment of the Chair of the Board.	First Wave	Financial & Reputational	1	5	5	Contracts cover compliance requirements including gas servicing. Only suitably qualified people will be employed to deliver works. Monthly monitoring include some key aspects including gas, complaints and customer satisfaction. The council has recently had an audit on its asset management systems and a number of improvements have been identified. FWH and i4B should participate in discussions around the key data basis of CRM, Northgate and Keystone. BHM have carried out an self assessment into its compliance with NROSH standards. The self assessment says BHM are compliant.	1	5	5	Open	15/10/2019: Mitigation amended.