

## 2016/17 HRA Budget Risk Matrix

<b>Impact</b>	5					
	4					
	3					
	2		<b>H1</b>	<b>H2</b>		
	1			<b>H3</b>		
		1	2	3	4	5
<b>Likelihood</b>						

No.	Risk Title/Description	Control	Residual Risk Level
H1	Impact of Welfare Reform on Housing Rent collection	Potential for reduced rent collection as a result of welfare reforms (principally the “bedroom tax” and the “benefit cap”) is being managed through the provision of additional housing and financial advice to at-risk tenants, together with grants of Discretionary Housing Payments to provide transitional relief.	4
H2	Impact of the implementation of Universal Credit on Housing Rent collection	The impending roll-out of Universal Credit (UC) will increase the risk of reduced rent collection. UC will be paid in arrears with a minimum 5 week delay and will be paid directly to tenants whereas Housing Benefit (HB) has previously been paid directly to MKC. Whilst a corporate welfare reform project will look at mitigating the risks transferring all HB claimants to UC, the Housing service will also have a specific plan, including a programme of communication and advice to tenants and staff, working with the DWP and with the corporate welfare reform project board. The Housing service has restructured to enable improved collection and support.	6
H3	Impact of Housing & Planning Bill, implementing “Pay To Stay” and sale of “High Value Voids”	The introduction of market rents for social housing tenants with household incomes of over £30,000 in April 2017 is expected to result in an increase in RTB sales, and a decrease in collection rates; the Council will have to pay a levy to the Government irrespective of actual collection rates. The council will be obliged from April 2017 to consider disposal of “high value” stock as it becomes void, and pay a levy to the Government based on the expected receipts. The basis and amounts of these levies have not yet been released or consulted upon, and mitigation of the risks (including the risk of pre-implementation impacts) is therefore hampered.	3