

Meeting: Transport for the North Audit and Governance Committee

Subject: Updated Corporate Risk Register

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1. Purpose of the Report:

1.1 Transport for the North (TfN) continues to review and update the Corporate Risk Register (CRR) which reflects the Key Performance Indicators (KPIs) and business objectives outlined in the Business Plan for Financial Year 2021/22. The CRR was presented in July 2021 through its new risk reporting template. For this reporting period, TfN has undertaken a risk review exercise to ensure the corporate risks and associated mitigation action plans are revised. In addition, the Corporate Risk Register has been reviewed by TfN's new Chief Executive, Martin Tugwell. The key updates from the previous version are as follows:

- The likelihood of occurrence for the risk of a significant number of staff to be affected by COVID-19 and thus impacting TfN's key programmes and business deliverables has been reduced to a "Low" assessment, i.e. less than 20% chance of it happening. Please see corporate risk theme – The COVID-19 Pandemic (TCR01), page 9;
- On the same corporate risk theme - The COVID-19 Pandemic (TCR01), a new mitigation has been documented to respond to risk three, that is, the pandemic related uncertainty continues to cause delay to wider policy announcements. The mitigation demonstrates efforts made by TfN, albeit the organisation's lack of direct control/powers in the publication of policies such as the IRP;
- The overall level of post mitigation risk for TCR3 and TCR7 have been reduced to low following an exercise to reassess the level of risk to which TfN is now exposed, particularly given the levels of mitigation that are in place.
- To ensure continual amelioration of the Corporate Risk Register, TfN has amended the terminology "assessed risk impact" which can be found in the risk themes to "current risk impact". This is to make sure that there is consistency with the language used in section 1, summary of TfN's corporate risk themes.

- 1.2 The intention of the report is to provide Audit & Governance Committee Members with an update on the organisational risks relating to the business objectives which can be found in the Corporate Risk Register.
- 1.3 Paragraph 19.1 of Transport for the North's constitution states that Audit & Governance committee is to "provide independent review and assurance to members on risk management and control framework". This report will assist committee members in discharging that duty.

2. Executive Summary:

- 2.1 It is essential that Transport for the North recognises, understands, and manages the range of corporate risks that could negatively impact on its ability to achieve its objectives. The terms of reference for the Audit & Governance Committee include the requirement to "monitor Transport for the North's risk and performance management arrangements including review of the risk register, and progress with mitigating actions".
- 2.2 Transport for the North's corporate risks stem from the agreed KPIs and from a range of other sources, some of which are beyond its direct control. The challenges and uncertainty faced by Transport for the North create both threats that need to be addressed, and opportunities that can potentially be exploited. Transport for the North's Corporate Risk Register is presented at Appendix 10.1.

3. Consideration:

- 3.1 Transport for the North's approach to managing risk is described in its Risk Management Strategy ("RMS") which sets out guidance on how risks are identified, assessed, managed and reported. The RMS has been applied in updating the Corporate Risk Register.
- 3.2 It is essential that Transport for the North and its programme teams recognise, understand, and manage the risks that could negatively impact on the ability to achieve its objectives and priorities.
- 3.3 The Audit & Governance Committee is asked to consider the internal and external corporate risks that the organisation is facing and provide feedback per 1.3 above.

4. Recommendation:

- 4.1 Committee Members are asked to consider the report and provide comments regarding the risk information provided.

5. Corporate Considerations:

5.1 *Financial and Resource Implications*

The Finance Team has reviewed this report and confirmed that the financial implications are included within the report.

The resource considerations are where applicable included within the report.

5.2 *Legal Implications*

Legal implications are covered within the report.

5.3 *Risk Management and Key Issues*

A full corporate risk assessment activity took place which can be found in Item 10.1.

5.4 *Environmental Implications*

A full impact assessment has not been carried out because it is not required for this report.

5.5 *Equality and Diversity*

A full impact assessment has not been carried out because it is not required for this report.

5.6 *Consultations*

A consultation has not been carried out because it is not required for this report.

6. Background Papers

6.1 There are no background papers to this report.

7. Appendices:

7.1 Item 10.1 – Transport for the North’s Corporate Risk Register.