

Transport for the North

Corporate Risk Register

Updated February 2022



Introduction to Transport for the North's Corporate Level Risks

It is essential that Transport for the North (TfN) recognises, understands and manages the range of risks that could negatively impact on its ability to achieve the objectives set out in the 2021/2022 Business Plan. TfN's approach to managing risk is set out in its Risk Management Strategy which provides guidance for how risks are identified, assessed, managed and reported. Each programme and corporate function within TfN has its own risk register that is updated on either a monthly or fortnightly cycle, with clear reporting in line with governance arrangements. At the apex of these arrangements is the annual reporting of the corporate level risks to TfN Board.

TfN uses programme information to identify cross cutting risk themes that are sufficiently significant, either in their own right or in aggregate, to be reported to and discussed by the Board as risks requiring corporate focus. TfN's corporate risks stem from a range of sources, some of which are beyond TfN's direct control. The challenges and uncertainty faced by TfN create both threats that need to be addressed, and opportunities that can potentially be exploited.

The 2021/22 corporate risk register presents the corporate risks that might directly have an impact on TfN's business plan objectives. To ensure effective management of risks, the reports provides full risk information such as the proximity of the risk, potential consequences on TfN's objectives and priorities and the mitigation measures in place to manage the downside risks.

Section 1 summarises TfN's corporate level risks and the senior owner(s).

Section 2 outlines TfN's defined Probability Impact Criteria to undertake the qualitative assessment of the risks in order to produce a risk exposure score for each risk.

Section 3 provides a guideline in regard to the assessment of TfN's level of control on the proposed mitigation risk plans.

Section 4 provides a detailed analysis of each risk, the mitigating actions that have been adopted and the mitigation level of controllability as it is important to understand the extent to which TfN is able to influence or control the risk outcomes.

Section 1: Summary of TfN's Corporate Risk Themes, Probability & Impact Assessments and Ownerships

Corporate Risk Theme	The Covid-19 Pandemic prevents or delays TfN from delivering its objectives (TCR01)		
Risk Probability			High
Nature of Risk Impact	Business deliverables may not be completed on time if: <ul style="list-style-type: none"> (i) A number of staff within TfN or its supply chain might be affected by Covid-19. (ii) TfN decision making / governance processes might be impacted by the availability of Constituent Authority or departmental colleagues. (iii) Covid-19 related uncertainty causes wider policy announcements to be delayed. 		
Inherent Risk Impact			High
Post-Mitigation Impact			High
Risk/Mitigation Owner(s)	Chief Executive (Martin Tugwell)		
Corporate Risk Theme	TfN Reputational and Political Engagement (TCR02)		
Risk Probability			High
Nature of Risk Impact	<ul style="list-style-type: none"> (i) TfN made the case for its funding during the Spending Review process. A funding letter was received from DfT on 14 February. The underlying Core funding has been increased marginally (1.6%) from 2021/22. However, TfN's inability to repeat the mitigations adopted for the current financial year means that a reduction in Core expenditure of c.37% will be required in 2022/23. Business planning has not yet been undertaken, but this is likely to result in a substantial reduction in the work that TfN is able to deliver. (ii) The future role of Sub-national Transport Bodies (STBs) such as TfN needs greater clarity, otherwise TfN's ability to deliver the economic, social and sustainability benefits could be reduced. (iii) The leaking of confidential information may create a legal liability, and/or erode trust between TfN and the Department of Transport and thereby could potentially harm TfN's reputation, weaken its relationship with DfT and other partners and ultimately impact upon its financial position. 		
Inherent Risk Impact			Very High
Post-Mitigation Impact			High
Risk/Mitigation Owner(s)	Chief Executive / Finance Director (Martin Tugwell / Iain Craven)		
Corporate Risk Theme	Embedding the Strategic Transport Plan (STP) Across Programmes (TCR03)		
Risk Probability	Medium		
Nature of Risk Impact	(i) TfN Programmes of work may develop in a way that does not contribute to, or runs counter to, the overall objectives and plan set out in the STP, resulting in the failure to achieve the aims of the STP.		

	(ii) Inconsistent messaging as a result of uncoordinated activity could also weaken TfN's reputation with government, constituent authorities and wider stakeholders.			
Inherent Risk Impact			High	
Post-Mitigation Impact	Low			
Risk/Mitigation Owner(s)	Interim Strategy & Programme Director (Tim Foster)			
Corporate Risk Theme	Delivery of Robust and Compelling Evidence to Support Investment Programmes (TCR04)			
Risk Probability		Medium		
Nature of Risk Impact	(i) An insufficiently compelling evidence base, particularly around the programme-level economic case may delay or prevent strategic transport infrastructure investments being made, with consequential impacts on TfN's ability to deliver its objectives. (ii) The inability to make a transformational case could damage TfN's reputation with partners as the organisation's key objective is to take a leadership role in delivering innovative business cases to secure investments.			
Inherent Risk Impact		High		
Post-Mitigation Impact	Low			
Risk/Mitigation Owner(s)	Interim Strategy & Programme Director (Tim Foster)			
Corporate Risk Theme	Transport Decarbonisation and Climate Change Emergencies (TCR05)			
Risk Probability		Medium		
Nature of Risk Impact	(i) The failure to develop relevant policy positions, and undertake identified priority decarbonisation activities, would adversely impact on TfN's credibility and influence as a Sub-National Transport Body and reduce its ability to deliver on the commitments laid out within the TfN Decarbonisation Strategy. (ii) TfN's Investment Programme may not be compliant with TfN's Decarbonisation Trajectory.			
Inherent Risk Impact			High	
Post-Mitigation Impact	Low			
Risk/Mitigation Owner(s)	Interim Strategy & Programme Director (Tim Foster)			
Corporate Risk Theme	TfN Operations (TCR06)			
Risk Probability			Very High	
Nature of Risk Impact	(i) TfN made the case for its funding during the Spending Review process. A funding letter was received from DfT on 14 February. The underlying Core funding has been increased marginally (1.6%) from 2021/22. However, TfN's inability to repeat the mitigations adopted for the current financial year			

	<p>means that a reduction in Core expenditure of c.37% will be required in 2022/23. Business planning has not yet been undertaken, but this is likely to result in a substantial reduction in the work that TfN is able to deliver.</p> <p>(ii) Funding reductions may mean that TfN is unable to deliver the full range of its members aspirations.</p>		
Inherent Risk Impact			Very High
Post-Mitigation Impact		High	
Risk/Mitigation Owner(s)	Finance Director / Business Capabilities Director (Iain Craven / Dawn Madin)		
Corporate Risk Theme	TfN Compliance with Relevant Laws and Regulations (TCR07)		
Risk Probability	Low		
Nature of Risk Impact	<p>(i) Potential reputational impacts with both stakeholders and the public.</p> <p>(ii) Financial impact, including fines or other penalties, for breach of statutory obligations such as Data Protection, Freedom of Information, Employment or Health and Safety legislation.</p> <p>(iii) The ICO may issue a decision notice or the HSE may issue an enforcement notice if it found that TfN was in breach of the legislation. Employees/Ex-Employees may raise employment tribunal claims against TfN.</p>		
Inherent Risk Impact			Medium
Post-Mitigation Impact	Low		
Risk/Mitigation Owner(s)	Business Capabilities Director / Head of Legal Services (Dawn Madin / Julie Openshaw)		
Corporate Risk Theme	The Northern Powerhouse Rail (NPR) Strategic Outline Case (SOC) (TCR08)		
<p>The Northern Powerhouse Rail (NPR) rail programme is a strategic rail programme that involves Northern partners, DfT, Network Rail and HS2 and, for the rest of financial year 2021/22, is co-cliented by TfN and DfT as set out in the NPR Memorandum of Understanding (MOU). As per the Integrated Rail Plan (IRP) published in November, NPR will transition to a single client arrangement, with the single client being DfT, and a co-sponsorship arrangement between DfT and TfN, from 1st April 2022. It is important to note that co-sponsorship continues to be discussed between DfT and TfN and the exact roles and responsibilities are to be agreed.</p> <p>On 18th February 2021, TfN Board confirmed the preferred way forward for NPR and, following the meeting, a letter was sent to the Transport Secretary of State (SoS) providing statutory advice on the TfN's preferred way forward. However, the conclusions contained within the IRP do not align to TfN Board's agreed preferred way forward. Consequently, TfN is unable to meet its objectives set for NPR, and therefore its overarching objectives in relation to NPR and IRP will need to be reconsidered and agreed with the board. However operational risks and issues continue to be managed, and these are set out in programme summary section of the Monthly Operating Report.</p>			
Risk/Mitigation Owner(s)	Chief Executive (Martin Tugwell)		

Corporate Risk Theme	Rail Operations (Franchise Management and Investment) (TCR09)		
Risk Probability			Very High
Nature of Risk Impact	<ul style="list-style-type: none"> (i) The long-term effect of Covid-19 on the viability of train services and future investment decisions. (ii) The publication of the Rail Reform White Paper has insufficient detail about the role of TfN and other devolved bodies to allow a clear appreciation of their future role. (iii) Proposed timetable changes on the East Coast Main Line (ECML) in May 2023 and Manchester in December 2022 will have an impact on local connectivity, thereby reducing choice for passengers. (iv) TRU fit with the wider investment strategy in the North. 		
Inherent Risk Impact			Very High
Post-Mitigation Impact			Very High
Risk/Mitigation Owner(s)	Strategic Rail Director (David Hoggarth)		

Section 2: TfN's Probability & Impact Scoring and Assessment Criteria

TfN's Probability Impact Criteria, as illustrated below, is a risk management tool that enables the risk likelihood and impact to be calculated to produce an aggregated risk severity and exposure for each risk. The corporate risks are plotted according to the probability of occurrence and the impact upon an activity should the risk happen.

The qualitative risk ranking (risk score) could be generated by multiplying the probability with the maximum of the impacts (i.e., financial, reputation etc.) for each risk.

Rating		Probability of the Risk Materialising (%)	Definition of Impact
5	An Issue	100% probability that the risk will materialise or the has materialised	<ul style="list-style-type: none"> One or more of the implications will have an effect on Business Plan objectives and/or KPIs
4	Very High	81-100	<ul style="list-style-type: none"> Financial Implication: £>2m Schedule Implication: > 12 months National long-term negative media coverage, significant loss of trust and credibility Severe relationship issues with partners and/or third parties (such as Local Authorities, public)
3	High	51-80	<ul style="list-style-type: none"> Financial Implication: £1m - £2m Schedule Implication: 9 - 12 months National short-term negative media coverage Evidence of relationship issues with partners/or and third parties (such as Local Authorities, public)
2	Medium	21-50	<ul style="list-style-type: none"> Financial Implication: £500K - £1m Schedule Implication: 3 - 9 months Local media damage Minimal strained relationship with partners and/or third parties (such as Local Authorities, public)
1	Low	≤20	<ul style="list-style-type: none"> Financial Implication: £0 - £500K Schedule / Time delay Implication: 0 - 3 months Local media attention quickly remedied No strain relationship with partners and/or third parties (such as Local Authorities, public)

Section 3: Qualitative Assessment on the Levels of Mitigation Control

In order to assist the user to understand how TfN's key risks are impacted by the mitigation activities set out in this document, TfN has assessed the level of control on the mitigation risk action plans and the extent to which TfN is able to influence or control those risk outcomes.

The following corporate risks have been subject to an evaluation by identifying the level of control:

- **High Control:** TfN has direct control over most of the available mitigation options - strategies that TfN has the power and/or ability to implement and as a result, contribute to the successful mitigation of the associated risk.
- **Medium Control:** TfN has some control over the available mitigation in conjunction with collaborative efforts with relevant partners or other stakeholders in order to be successful in the management of the action plans. TfN may be able to deploy additional resources to increase its ability to influence risk outcomes.
- **Low Control:** TfN has very limited control over the identified mitigations which must be a collaboration with the relevant internal and external parties. Without joint involvement, the likelihood of the risk materialising increases. Whilst TfN can attempt to influence the factors impacting on these risks, it has a low level of control over if or how these mitigations are implemented.

Each assigned control level will be accompanied by a progress summary and the most recent date that it was assessed and updated.

Section 4: Qualitative Risk Analysis of TfN’s Corporate Level Risks

Risk ID: TCR01 - The Covid-19 pandemic prevents or delays TfN from delivering its objectives	10
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Risk ID: TCR01 - The Covid-19 pandemic prevents or delays TfN from delivering its objectives

Description of Identified Risks:

- (1) There is still a potential, albeit reduced, for a number of staff within TfN or its supply chain to be affected by coronavirus, or by steps taken by suppliers to respond to the pressures caused by the pandemic;
- (2) TfN decision making / governance processes might be impacted by the availability of Constituent Authority or departmental colleagues;
- (3) The Covid-19 related uncertainty continues to cause wider policy announcements to be delayed;
- (4) *Risk Closed:* due to the efficiency of corporate processes being equivalent to March 2020; The pandemic reduces the efficiency with which certain activities can be delivered and therefore increases the costs associated with delivering them.

Impacts of Identified Risks:

- TfN’s key programme and business deliverables may not be completed on time if the number of staff affected by COVID-19 is significant.
- In addition, TfN’s ability to take forward its programmes will be affected if partner officers, and other stakeholders are unable to fully engage in Client Reference groups and other TfN governance processes.
- Delays to central government decision-making (where Covid-19 is at least a contributory factor) in key areas. Although the Integrated Rail Plan (IRP) and Levelling Up White paper have been produced there have been significant delays and lack of clarity that are impacting upon TfN’s ability to drive programmes. Uncertainty with regard to form that delivery will take is impacting both on TfN’s ability to deliver activity in year, or to plan at either a programme or a corporate level for 2022/23 and beyond.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low		(risk 1; 4 Closed)			
Medium			(risk 2)		
High					
Very High				(risk 3)	
An Issue					

Risk Trend since Previous Report	Decreased
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Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1, 2,	High	On-going	08/02/22
Organisational and individual Directorate Contingency Plans have been developed and are in place. These are further underpinned by TfN Corporate Business Continuity Plan (BCP). This includes the identification of a core Crisis Management Team to coordinate all business-critical activities should these plans need to be instigated, and to maintain effective communication with employees.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1 & 2,	High	On-going	08/02/22
Programme and policy teams continue to identify and focus on the critical organisational outputs and deploy the available resources in the achievement of those priorities.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1 & 2	High	On-going	08/02/22
Programme teams continue to re-align delivery plans and communicate changes to partners. The teams continue to work with consultants and partners to provide support where possible.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1 & 2	High	On-going	08/02/22
TfN continues to deliver its Business Plan where possible so as to minimise delays in delivering outputs and allow activity to be expedited once policy decisions by central Government have been communicated.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	3	Low	Completed - Risk Mitigated	08/02/22
TfN has made representations to DfT regarding the challenges created by delays to policy announcements and in particular the IRP.				

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
f	3	Medium	On-going	08/02/22
TfN officers are working with the Levelling Up White Paper and Transport Decarbonisation Plan and the IRP to understand the impacts on TfN policy development and implication for business planning 2022/23				

Risk ID: TCR02 - Transport for the North's Reputational and Political Engagement

Description of Identified Risks:

- (1) Central Government's intention with regard to the future role of Sub-national Transport Bodies (STBs) is unclear. This uncertainty may prevent the organisation from fulfilling its objectives and delivering its programme of works. DfT's preference is for STBs to give their views in private rather than in public. Clarity on this position is required and DfT has indicated that it is considering proposing changes to the Communications MoU and/or Partnership Agreement;
- (2) There is ongoing uncertainty with regard to the impact of TfN's funding settlement, particularly in the longer term. TfN made the case for its funding during the Spending Review process. A funding letter was received from DfT on 14 February. The underlying Core funding has been increased marginally (1.6%) from 2021/22. However, TfN's inability to repeat the mitigations adopted for the current financial year means that a reduction in Core expenditure of c.37% will be required in 2022/23. Business planning has not yet been undertaken, but this is likely to result in a substantial reduction in the work that TfN is able to deliver. The timing and substance of the notification place significant pressure on TfN's ability to produce a robust budget prior to the start of the new financial year as it is required to do and are likely to result in an Interim budget being adopted.
- (3) There is a risk of mismatch between the expectations placed upon TfN regarding its ability to deliver improvements to the Northern transport system in the short to medium term, and the limited extent of its statutory powers and functions that focus on the provision of strategic advice rather than infrastructure delivery.
- (4) The leaking of confidential information may create a legal liability, and/or erode trust between TfN and the Department of Transport and thereby could potentially harm TfN's reputation, weaken its relationship with DfT and other partners and ultimately impact upon its financial position.

Impacts of Identified Risks:

- TfN could lack the powers or the influence to deliver the economic, social and sustainability benefits to the North that it set out in the Strategic Transport Plan.
- The challenges in relation to TfN's ongoing levels of Core funding makes it more difficult for TfN to deliver member aspirations to facilitate transformational economic growth in the North by means of transport interventions.
- Failure to make timely decisions with regard to projects and programmes and could delay or prevent the benefits of strategic transport infrastructure from being delivered.
- TfN's credibility could be negatively impacted by being unable to deliver across an "expectation gap" between its actual statutory responsibilities and powers and its perceived role.

- TfN's reputation with DfT, partners and members could potentially be adversely affected.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low					
Medium			(risk 3)		
High				(risk 4)	
Very High				(risk 1 & 2)	
An Issue					
Risk Trend since Previous Report	No Change				

Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1 & 3	Medium	On-going	08/02/22
TfN aspirations in relation to its future role and associated powers have been set out in the Northern Transport Charter. TfN's 2021/22 Business Plan includes activity to develop capability and additional evidence on investment plans aligned with the Northern Transport Charter proposals.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1 & 3	Medium	On-going	08/02/22
There is continuous engagement with Members and constituent authorities (at a political and officer level), stakeholders, and partners, to continue to represent 'One Voice' for the North.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1 & 3	Medium	On-going	08/02/22
There is structured engagement with central government officials and decision-makers. TfN continues to respond to any DfT proposals to update the Communications MoU/Partnership Agreement once seen.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1 & 3	Medium	On-going	08/02/22
TfN to focus on contributing to the recovery phase of the pandemic by ensuring we have ongoing dialogue with DfT, including the DfT Acceleration Unit, and with NTAC on the Economic Recovery Plan proposals.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
f	2	High	On-going	08/02/22
TfN has undertaken a business planning and budgeting process for FY21/22 that focuses its available resources on key Member priorities. It has also introduced a revised monthly activity review and virement process to help ensure it delivers its business plan.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
h	4	Medium	On-going	08/02/22

TfN has in place Confidentiality Agreements with Constituent Authorities in relation to Northern Powerful Rail and the Rail North Partnership to regulate information disclosed. In addition, the Confidentiality Agreement demonstrates how information and data may and may not be used, ensures compliance with data protection legislation and impose responsibility for compliance.

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
j	4	Medium	On-going	08/02/22

The Codes of Conduct relating to Members of Constituent Authorities make provision as to the circumstances in which information may be disclosed. Each Constituent Authority will have its own Officer Code of Conduct and/or Disciplinary Policy which are likely to have similar provisions to TfN's, dealing with the treatment of confidential information.

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
k	4	Medium	On-going	08/02/22

TfN's processes seek to restrict where possible disclosure of data only to those within the organisation who need to possess such data in order to carry out TfN's business as a local authority. This will support the reduction of the risk of deliberate or accidental disclosure of information shared on a confidential basis.

Risk ID: TCR03 - Embedding the Strategic Transport Plan (STP) across programmes

Description of Identified Risk:

- (1) The Strategic Transport Plan (STP) was adopted by TfN in February 2019. It sets out the “Why, What and How” of TfN’s approach to facilitating inclusive and sustainable transformational economic growth across the North. If TfN programmes (and research) are not embedding or aligning with the STP, it is likely to impact the delivery and cost of the STP programme. In addition, it creates reputational risk if TfN is inconsistent in its external messaging and statutory advice to government. Furthermore, it could impact on the development of additional detailed policy positions resulting in sub-optimal outputs from investments when measured against TfN’s overarching objectives.

Impacts of Identified Risks:

- Programmes of work developed in a way that does not contribute to, or runs counter to, the overall objectives and plans set out in the STP, resulting in the failure to achieve the aims of the STP and/or leads to sub-optimal impacts from transport investments.
- Inconsistent messaging as a result of uncoordinated activity weakens TfN’s reputation with government, constituent authorities and wider stakeholders.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low					
Medium			(risk 1)		
High					
Very High					
An Issue					

Risk Trend since Previous Report	No Change
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Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	High	On-going	08/02/22
Co-ordination mechanisms have been established within TfN and with partners (such as the Strategic Oversight Group) to facilitate the co-ordination of programmes of work.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1	High	On-going	08/02/22
A Policy Development Framework (previously known as the Internal Assurance Framework) is being developed. The work will identify clear and consistent approaches to policy development across the organisation, building on the coordination work already underway in Strategic Oversight Group (SOG). In addition, the Policy Development Framework will enable decision makers to decide TfN's priorities for future projects and programmes to ensure alignment within the TfN programme as well as with partner programmes.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1	High	On-going	08/02/22
A robust benefits realisation framework is being developed to enable the evaluation of programme KPIs and allow the assessment of outcomes in relation to STP objectives.				
Mitigations #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1	Medium	On-going	08/02/22
A Strategic Transport Plan (STP) Programme was agreed with TfN Board in September 2021. The STP programme will define and sequence the required activities needed, with clear milestones in place for the development and production of a revised STP. Furthermore, there is a plan for consultation and formal adoption by the Board, which is expected no later than 2024. The TfN Board has agreed a programme for the update of the new STP and governance mechanisms are being established in preparation for work to start this financial year.				

Risk ID: TCR04 - Delivery of Robust and Compelling Evidence to Support Investment

Description of Identified Risks:

- (1) One of the objectives of developing the Analytical Framework (AF) is to allow the capture of the economic, social, and environmental impacts of transformational transport schemes. Further developments are underway to ensure robust evidence around these impacts can be captured and quantified or qualified through the AF.

There is a risk that TfN might be unable to make a timely, robust, credible, evidence-based case to support NPR and the wider Investment Programme. This risk could lead to either delays to the delivery of business cases or limited ability to represent transformational benefits which could thus be discounted by decision makers due to a reduction in the quality and assurance rating of the analysis. This could limit TfN's ability to deliver agreed outputs outlined in the Strategic Transport Plan (STP). In addition, the analytical requirements for the NPR programme in 2022/23 are yet to be agreed following the publication of the Integrated Rail Plan (IRP). This uncertainty is likely to create a resourcing risk and required support to other TfN programmes.

Impacts of Identified Risks:

- An insufficiently compelling evidence base, particularly around the programme-level economic case may delay or prevent strategic transport infrastructure investments being made, with consequential impacts on TfN's ability to deliver its objectives.
- The inability to make a transformational case could damage TfN's reputation with partners as the organisation's key objective is to take a leadership role in delivering innovative business cases to secure investments.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low					
Medium			(risk 1)		
High					
Very High					
An Issue					

Risk Trend since Previous Report	No Change
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Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	Medium	On-going	08/02/22
TAME staff are working closely with DfT officials to build confidence in the robustness of Analytical Framework tools, dedicating resources to responding to requests for information in a professional and timely manner. In addition, the NoRMS peer review, critical for NPR Strategic Outline Case has been completed which received a positive outcome.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1	High	On-going	08/02/22
Programme timescales are being adjusted where it is sensible to make those adjustments without significantly impacting delivery against TfN's core objectives.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1	Medium	On-going	08/02/22
Scope is being managed in consultation with DfT, TfN Partners and Peer Reviewers to ensure essential functionality for robustly representing transformation is prioritised and "added value" functionality is deprioritised where appropriate. This will ensure that the approach is proportionate for the stage of scheme development.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1	High	On-going	08/02/22
Added value work will be brought into programmes at a later stage in the form of sensitivity analysis, ensuring that work undertaken to date can still provide value to TfN programmes.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	1	High	On-going	08/02/22
The TAME team structure was revised, and additional senior resources were introduced with improved engagement with TfN programmes to ensure Analytical Framework development and application activities meet the needs of the programmes.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
f	1	High	On-going	08/02/22
The team has undertaken scenario planning for different outcomes of the IRP and TfN is awaiting further instruction from DfT. Additionally, the team has developed flexible professional services contracts, which can be scaled up and down to meet different levels of NPR resource requirements, thereby, providing a control mechanism to protect TAME's resources that are committed to other programmes.				

Risk ID: TCR05 - Transport Decarbonisation and Climate Change Emergencies

Description of Identified Risks:

- 1) The UK government has set a climate change ambition that the UK will have net zero greenhouse gas emissions by 2050. This is an ambitious target, which moves from the previous government position of 80% reduction. Within the Strategic Transport Plan (STP), TfN has committed to develop a "Pathway to 2050" which has now been developed and is reported within the Decarbonisation Strategy. It outlines how net zero emissions can be delivered within the North and the trajectory for change, with the impact of the Covid-19 pandemic accounted for within our Future Travel Scenarios. The Decarbonisation Strategy was approved by TfN Board and published December 2021. The Strategy details a number of recommendations, commitments, and future activities for TfN. There is potential, due to funding and resource constraints, that TfN falls behind in developing appropriate and timely policy positions, as well as progressing the priority decarbonisation activities identified within the Strategy, leading to a risk that that the level of policy commitment at both a national and local level does not materialise and that the North fails to achieve close to zero carbon emission for surface transport by 2045 (the key objective within TfN's Decarbonisation Strategy).
- 2) There is also a related risk that TfN's Investment Programme is misaligned to the agreed Decarbonisation Trajectory and may require review in the light of this.

Impacts of Identified Risks:

- There is a risk that the required level of policy commitment at both a local and national level to achieve the agreed rate of decarbonisation is not achieved and therefore TfN fails to deliver on its commitments laid out within the TfN Decarbonisation Strategy.
- Failure to develop relevant policy positions and undertake identified priority decarbonisation activities, adversely impacts on TfN credibility and influence as a Sub-National Transport Body.
- TfN's Investment Programme may not be compliant with TfN's Decarbonisation Trajectory. Any review may result in an Investment Programme which is misaligned with partners priorities. If the required level of policy commitment to deliver close to zero by 2045 is not achieved in the medium to long term, this might contribute towards an excess of agreed global temperature rise (as defined by the Paris Agreement) and climate change which might impact upon the resilience of the North's transport infrastructure.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low				(risk 2)	
Medium			(risk 1)	(risk 2)	
High					
Very High					
An Issue					
Risk Trend since Previous Report	Increased				

Mitigations of Identified Risks, Level of Controls and Updates

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	High	On-going	09/02/22
Careful programme planning to ensure TfN activities proposed in the Strategy are accommodated in business planning up until 2025 to ensure priority activities are given appropriate focus, resourcing, and funding. By undertaking these research, evidence and data building, and facilitation activities, and providing the outputs to our Partners and national government, there is a higher likelihood of the required levels of policy commitment being achieved.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1	High	On-going	09/02/22
Undertake an appraisal of the relative carbon benefits associated with the remaining activities defined within the decarbonisation strategy.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	2	Medium	On-going	09/02/22
Ensure active and ongoing engagement with key stakeholders and partners as carbon appraisals of investment programme progress.				

Risk ID: TCR06 - Transport for the North's Business Operations

Description of Identified Risks:

- (1) There is a general risk that TfN fails to deliver programmes' output in a way that achieves Value for Money in TfN expenditure.
- (2) There is ongoing uncertainty with regard to the impact of TfN's funding settlement, particularly in the longer term. TfN made the case for its funding during the Spending Review process. A funding letter was received from DfT on 14 February. The underlying Core funding has been increased marginally (1.6%) from 2021/22. However, TfN's inability to repeat the mitigations adopted for the current financial year means that a reduction in Core expenditure of c.37% will be required in 2022/23. Business planning has not yet been undertaken, but this is likely to result in a substantial reduction in the work that TfN is able to deliver. The timing and substance of the notification place significant pressure on TfN's ability to produce a robust budget prior to the start of the new financial year as it is required to do and are likely to result in an Interim budget being adopted.
- (3) The publication of the Integrated Rail Plan (IRP) and the Levelling Up White Paper continues to create significant uncertainties as have the delay to, and substance of, TfN's funding allocation. Consistent with last year, this ongoing uncertainty beyond March 2022 means that TfN has instituted a pause in its recruitment of permanent roles and it is likely that reductions in expenditure at the required levels will result in redundancies. These factors taken together are affecting and will continue to affect TfN's ability to recruit and retain and are having an impact on wider employee morale and confidence.

Impacts of Identified Risks:

- The timing and substance of the funding allocation creates significant risks in relation to TfN's ability to generate a robust business plan and funded budget as is required, prior to the start of the new financial year. In addition, the required cuts to expenditure, and the likely need for redundancies will impact on TfN's ability to both retain and recruit suitably qualified staff.
- Failure to achieve Value for Money could impact on TfN's ability to access funding in the future.
- Failure to recruit and retain the right people with the right skills could negatively impact on TfN's ability to deliver its objectives and priorities.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low			(risk 1)		
Medium					
High					
Very High				(risks 2, 3)	(risk 2)
An Issue					

Risk Trend since Previous Report	Increased
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Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	High	On-going	08/02/22
Clear and well documented processes and procedures are in place. VfM and governance to be undertaken by both internal and external audits.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1	High	On-going	08/02/22
Commissioning processes include OBT sign-off of expenditure, and explicit approval for expenditure against a schedule of delegations.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	2	High	On-going	08/02/22
Engagement with stakeholders to ensure the case for TfN's funding is supported by members, business and in Parliament.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	3	High	On-going	08/02/22
Due to funding uncertainties beyond 2021/22, TfN has constituted a temporary pause on recruitment on permanent posts, although flexibility is available to the CEO to mitigate the impact on the business.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	2 & 3	High	On-going	08/02/22
A comprehensive People Strategy has been developed and is in place covering reward, workforce/skills planning, succession planning, recruitment and selection, talent, and performance management.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
g	1, 2 & 3	High	On-going	08/02/22
To continue to brief and update staff through the monthly updates, regular bulletins, employee forum and SMT meetings with regards to budget setting, IRP and other current uncertainties TfN is facing to keep them fully apprised and address any questions or concerns in a timely fashion.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
h	2&3	Low	On-going	08/02/22
TfN has made representations at a senior level in department of transport regarding the challenges created by delays to notification of funding arrangements and policy announcements (in particular the IRP).				

Risk ID: TCR07 - Transport for the North’s Compliance with Relevant Laws and Regulations

Description of Identified Risks:

- (1) Transport for the North is a statutory body with limited statutory powers and duties. There is a risk that in carrying out its functions, TfN fails to comply with applicable law or exceed its powers.

Impacts of Identified Risks:

- If TfN fails to adhere to applicable law, or acts outside its powers, there could be reputational impacts with both stakeholders and the public, which may affect its ability to meet its objectives and/or result in legal proceedings against TfN.
- There is also a potential financial impact including fines, costs and/or other penalties for breach of regulatory laws such as Data Protection, Freedom of Information, Health & Safety or Procurement.
- The ICO may issue a decision notice or the HSE may issue an enforcement notice if it found that TfN was in breach of information or health and safety legislation.
- TfN could be subject to substantial financial damages for breach of the Public Contracts Regulations.
- Important work may be delayed by a failure to comply with necessary obligations such as statutory consultation.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low		(risk 1)			
Medium					
High					
Very High					
An Issue					

Risk Trend since Previous Report	No Change
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Mitigations of Identified Risks, Level of Control and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	High	On-going	08/02/22
TfN has suitably qualified officers in all senior positions, particularly the HoPS, S151 and Monitoring Officer. In addition, TfN has employed an in-house legal team.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1	High	On-going	08/02/22
TfN ensures there are clear and well documented processes and procedures in place.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1	High	On-going	08/02/22
Ongoing training on laws and legislations and communication across the organisation.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1	High	On-going	08/02/22
Procedures are in place through modern.gov to ensure that there is continuous legal review to TfN's Boards and Committees.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	1	High	On-going	08/02/22
TfN employs in house legal and procurement specialists and where necessary seeks external legal advice on commissioning and procurement.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
f	1	High	On-going	08/02/22
A new process, modern.gov has been implemented to streamline report approvals and support efficient decision-making.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
g	1	High	On-going	08/02/22
TfN will seek external legal advice on legal issues as identified by the legal in-house team.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
h	1	High	On-going	08/02/22
TfN has employer's liability, public liability, and professional indemnity insurance in place to mitigate any financial liability.				

Risk ID: TCR08 - Northern Powerhouse Rail (NPR) Business Case Delivery and Programme Development

Risk deleted – see summary

Risk ID: TCR09 - Rail Operations – Franchise and Delivery

Description of Identified Risks:

There has been a significant drop in demand for rail services as a result of the Covid-19 pandemic and it may take several years before passenger numbers recover to previous levels. In addition, the publication of the Rail Reform White Paper has insufficient detail about the role of TfN and other devolved bodies to allow a clear appreciation of their future role. These challenges, combined with the capacity of the current infrastructure, have created, or exacerbated the following risks:

- (1) **The long-term effect of Covid-19 on the viability of train services and future investment decisions.** The impact of the pandemic on travel is likely to continue to affect the time it will take for the industry to recover to pre-Covid-19 levels. There is a risk that the current services could be cut due to the increased cost of the subsidy that is required from the Treasury. In addition, the reduced current services could further impact future schemes, making schemes less viable as they have to be assessed against lower demand forecasts.
- (2) **The publication of the Rail Reform White Paper has insufficient detail about the role of TfN and other devolved bodies to allow a clear appreciation of their future role.** There is a risk that TfN could have a different role in service delivery following the publication of the Williams-Shapps review. The role of devolved bodies or Rail North Partnership is not outlined in the White Paper with current proposals showing rail contracts aligning under a new organisation (Great British Railway).
- (3) **Proposed timetable changes on the East Coast Main Line (ECML) in May 2023 and Manchester in December 2022 will have an impact on local connectivity, thereby reducing choice for passengers.** On the ECML, there is a risk of reduction in East-West connectivity to facilitate an additional North-South service from Newcastle to London. The planned new timetable will reduce some services to improve performance on the routes through Manchester putting pressure on some services and stopping patterns as the plan for infrastructure works to restore services in the future is still under development. Initial ECML timetable delivery date has been postponed from May 2022 to at last May 2023.
- (4) **TRU fit with the wider investment strategy in the North.** There is a risk that the IRP reopens discussion on existing government commitments to the main 'building blocks' including both legs of HS2 Phase 2b, NPR and TRU.

Impacts of Identified Risks:

- Low passenger numbers post-Covid could reduce the viability of some existing services.
- Less investment in services and infrastructure as a result of weaker business cases.
- If there is a delay in investment and delayed rolling stock, passengers will continue to be frustrated and experience poor quality services. Severe adverse reputational impact and pressure from partners.
- The franchise system has been replaced by service contracts directly funded by the Treasury through Great British Railway, potentially diminishing TfN's role and influence over operations (although this also represents an opportunity for TfN to make a case for further involvement in the management of the rail network).
- Timetable amendments to address capacity issues could result in a decline in services to some areas.
- Failure to integrate investment programmes could affect TfN's reputation by impacting on a significant part of its rail transformational programmes and the delivery of the Strategic Transport Plan.

	Inherent Risk Impact				
	Low	Medium	High	Very High	An Issue
Risk Probability					
Low					
Medium					
High			(risk 3,4)	(risk 2)	
Very High				(risk 1)	
An Issue					

Risk Trend since Previous Report	No Change
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Mitigations of Identified Risks, Controls and Updates:

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
a	1	Medium	On-going	09/02/22
To continue to use our influence in the monthly Rail North Partnership Board, Rail North Committee and North of England Contingency Group to shape the re-introduction of services, new rolling stock and infrastructure developments and re-build passenger confidence.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
b	1	Medium	On-going	09/02/22
To continue with the close working relationship and communication with TfN member authorities on deliverables and risks - feeding back information through TfN governance structures.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
c	1	Medium	On-going	09/02/22
To continue to track train service performance and delivery via regular reporting dashboards.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
d	1	Medium	On-going	09/02/22
Strategic Rail and Rail North Partnership (RNP) to work together to support Network Rail and Operators in producing recovery plans that meet passengers' needs and rebuild confidence.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
e	1	Medium	On-going	09/02/22
Following the implementation of the Blake Jones action plan, continue to provide greater focus on passengers and ensure transparency with members as the COVID19 restrictions ease.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
f	2	Medium	On-going	09/02/22
TfN, through its role on the RNP, continues to engage with the DfT at the highest level. TfN has worked with Network Rail and partners to develop a proposition for rail reform in the North, which was endorsed by TfN board on 24 th November. TfN is working with the GBR transition team to work on a more detailed proposal as to how the white paper might be delivered in the North.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
g	3	Low	On-going	09/02/22
In their consultation response for the ECML, TfN working with Partners has outlined to Operators and the Department the key concerns of the regions. TfN has appointed a consultant to explore how regional services that would be lost can be restored on ECML. To support this TAME has produced economic impacts of the timetable change on the ECML.				

Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
h	3	High	On-going	08/02/22
A collaboration between DfT and TfN to develop a blueprint of infrastructure and services to support further capacity on the ECML will be established. Likewise, regarding Manchester, collaborative work continues with DfT to underpin a blueprint linking infrastructure to future service development.				
Mitigation #	Risk Factors	Control Level	Status of Mitigation	Updated
i	4	Medium	On-going	08/02/22
Strategic Rail, Strategy & Programmes, and NPR to continue to work together to identify potential integration between TRU, NPR and HS2 and understand how they best interface with other's programmes across the North (Manchester, Leeds/Sheffield/York etc). A workshop took place with NPR in October 2021 and the main outcome was further joint working sessions to be held in the coming months.				

Note: The post-mitigation risk assessment in Table 1 is rated Very High (VH) following the adoption of some of the identified mitigations. This is the same rating as the Inherent risk assessment as TfN does not have the full range of levers within its current powers and responsibilities to implement the mitigations that is, in order to effectively carry out the mitigations. The avoidance and reduction of the assessed impacts are contingent on partners and members taking further actions.



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