

# Transport for the North

## Corporate Risk Register

Updated May 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 2022/2023 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 a monthly cycle, with clear reporting in line with governance arrangements.

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 TfN 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 2022/23 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 report provides information such as risk description, potential consequences on TfN's objectives and priorities, and the mitigation measures in place to manage risks.

**Section 1** provides an executive summary of TfN's corporate risk themes and factors, key changes to the register since the last risk review, key impacts and action themes, TfN's risk environment, emerging risk, opportunities and next steps.

**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. Quality has been included as an additional impact.

**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 control, as it is important to understand the extent to which TfN is able to influence or control the risk outcomes.

## **1 Executive Summary**

- 1.1. A thorough review of the corporate risk register has been conducted in line with TfN's change in organisational environment and it reflects the scope and size of TfN moving forward.
- 1.2. All existing risks have been scrutinised, rearticulated, and reassessed in line with:
  - the transition to the 5x5 risk matrix and updated scoring criteria, (including quality impact)
  - post IRP position
  - change in TfN's organisational environment
  - reduction in funding allocation
- 1.3. Through the risk management process, 5 new risk themes and 12 new risk factors have been identified. All actions have been reviewed and updated and new actions have been put in place where required.
- 1.4. New Themes: TfN cyber-security, Co-sponsorship, Technical Appraisal, Modelling and Economics (TAME), TfN Funding, and TfN Resources.
- 1.5. Closed Themes:
  - The COVID-19 pandemic prevents or delays TfN from delivering its objectives: Closed now that covid restrictions have been lifted, the TfN offices have reopened, and the recovery phase has commenced.
  - Northern Powerhouse Rail Business Case Delivery Programme Development: Closed and risks transferred to the DfT as the programme transitions to a single client arrangement with co-sponsorship between DfT and TfN starting 1 April 2022.
  - TfN Operations: Closed and replaced with two new themes; funding and resources.
- 1.6. New Opportunity: TAME is an area where TfN can offer more analytical services to partners both nationally and locally, as a centre of excellence that is user centred, place-based and outcome focused.

## Corporate Risk Dashboard



TCR	Themes ordered by highest current risk score	Number of Risk Factors per Theme	Current Score	Target Score	Risk Owners
13	TfN funding	3			Chief Executive Officer and Finance Director
14	TfN resources	1	25	20	Business Capabilities Director
3	Embedding TfN's Strategic Transport Plan (STP) across programmes	2	20	15	Interim Strategy and Programme Director
12	Technical appraisal, modelling and economics (TAME) <b>(including an opportunity)</b>	3	20	15	Interim Strategy and Programme Director
9	Rail operations - franchise management and investment	3	19	17	Strategic Rail Director
2	TfN's reputation, political engagement and effectiveness	4	18	15	Chief Executive Officer
11	Co-sponsorship	2	18	15	Chief Executive Officer
4	Delivery of robust and compelling evidence to support Investment Programmes	1	15	11	Interim Strategy and Programme Director
7	TfN compliance and relevant laws and regulations	1	11	11	Business Capabilities Director
5	Transport decarbonisation and climate change	1	11	8	Interim Strategy and Programme Director
10	TfN cyber security	2	10	10	Business Capabilities Director

### Key impacts across themes:

- TfN reputational damage and loss of credibility.
- TfN's ability to access funding in the future.
- TfN's ability to deliver statutory duties.
- Recruitment and retention of staff.
- Damage to TfN's organisational culture and staff morale.

### Key action themes:

- Partner Engagement
- Business Planning
- Training employees
- Establishing and following realistic programmes
- Government Engagement

Threat Scoring	
Issue	
Very High	19 - 25
High	14 - 18
Medium	7 - 13
Low	1 - 6

### 1.7. Key Risk Factors for TfN:

ID	Theme	Risk Description	Actions	Action Owner
886	TfN Funding	Issue: TfN have received a one-year funding settlement and no indicative funding beyond March 2023.	<ol style="list-style-type: none"> <li>1. Preparation of Business Plan on the basis of a reasonable planning assumption for future years' funding</li> <li>2. Secure DfT endorsement for Business Plan</li> <li>3. Demonstration of TfN value for money through agreement with DfT on KPIs</li> </ol>	Chief Executive Officer
643	TfN Resources	TfN's is unable to recruit and retain suitable staff to deliver the 2022/23 business plan and medium to long term TfN objectives.	<ol style="list-style-type: none"> <li>1. Update People Strategy as required</li> <li>2. Continue to brief and update staff</li> <li>3. Redesign and downsize TfN to fit 22/23 budget</li> <li>4. Provide training and development opportunities</li> <li>5. Agree recruitment strategy for TAME</li> <li>6. Full and proper consultation with UNISON</li> </ol>	Business Capabilities Director Business Capabilities Director Chief Executive Officer  Interim Strategy and Programme Director Business Capabilities Director Business Capabilities Director
881	Embedding TfN's STP across Programmes	TfN is unable to produce a second STP that is acceptable to both the TfN board and government.	<ol style="list-style-type: none"> <li>1. Align business plan with TfN's objectives</li> <li>2. Engagement with Partners and Government</li> <li>3. Manage programme via TfN's Strategic Oversight Group</li> <li>4. Update Northern Powerhouse Independent Economic Review (NPIER)</li> <li>5. Manage interdependencies with NPIER</li> </ol>	Interim Strategy and Programme Director
884	Technical Appraisal, Modelling and Economics	Legal and commercial restrictions. TfN is not legally allowed to share its models or data with Partners.	<ol style="list-style-type: none"> <li>1. Early engagement with legal team</li> <li>2. Develop TfN Licensing Strategy</li> <li>3. Train employees on derived data</li> <li>4. Create flow chart of model in/outputs</li> <li>5. Obtain licences for all data inputs</li> </ol>	Interim Strategy and Programme Director

310	Rail Operations	There is a risk that TfN could have a reduced role in the rail industry following the implementation of the Williams-Shapps review.	<ol style="list-style-type: none"> <li>1. Collaboration with the GBR transition team</li> <li>2. Establish a programme board chaired by TfN's CEO</li> </ol>	Strategic Rail Director
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## 1.8. TfN's Risk Environment and Emerging Risks

- 1.8.1. The organisation is currently going through a period of change and the risk environment over the next six months will reflect this. TfN is currently finalising its business planning and organisational redesign to reflect the level of funding available and its new role as co-sponsor (with DfT) for implementation of Northern Powerhouse Rail post IRP. TfN will be a smaller organisation. It's priorities will continue to reflect its role as a statutory Sub-national Transport Body and its role in supporting its partners at local, city-region and national level.
- 1.8.2. Through its business planning, TfN will be put on a sustainable footing consistent with reasonable planning assumptions about future funding. This approach will potentially reduce the risk associated with the funding and resourcing themes, as it will enable TfN to work with DfT to ensure effective resource planning of agreed priorities, including the retention and recruitment of skills for roles.
- 1.8.3. TfN are awaiting publication of the Transport Bill and the Levelling Up, and Regeneration Bill. Until published, these provide an area of uncertainty for TfN that could affect its policy development work, TfN operations, and engagement with the DfT and Partners.
- 1.8.4. TfN has transitioned to a co-sponsorship agreement with the DfT for the management of implementing Northern Powerhouse Rail (NPR). It is anticipated that the risks under the Co-Sponsorship theme will be reduced in the next six months as the role and responsibilities are finalised, governance processes for decision-making are established and regular engagement with the DfT develops.

## **1.9. TfN Emerging opportunities**

### **1.9.1. Emerging opportunities for future discussion:**

- Simplification of and reduction in processes, overheads and services arising from reshaping of TfN.
- Developing further TfN's role as a centre of excellence in support of its partners at local, city-region and national levels.
- Using the revision of the Strategic Transport Plan to strengthen linkages between economic growth, the environment, and social communities as part of the commitment to pursuing user-centred, place-based, outcome focused solutions.

## **1.10. Next Steps**

- 1.10.1. The Risk Management Strategy has been updated to reflect the transition to the updated 5x5 risk matrix and scoring criteria, and the use of TfN's risk management software, Predict. A full review of the strategy will be conducted and updated accordingly, including TfN's risk appetite.



## 2 Probability Impact Matrix

2.1 The Probability Impact Matrix (PIM), as illustrated below, is a tool that allows risk severity to be calculated. Risks are plotted according to the probability of occurrence and the impact upon an activity should the risk happen.

		Threat Scoring				
		Very Low 1	Low 2	Medium 3	High 4	Very High 5
PROBABILITY	75 - 100%	5	10	17	20	25
	51 - 74%	4	8	14	18	20
	26 - 50%	3	7	10	15	19
	6 - 25%	2	6	8	11	17
	≤5%	1	2	4	8	13

Threat Scoring	
Very High	19 – 25
High	14 – 18
Medium	7 – 13
Low	1 – 6

		Opportunity Scoring				
		Very Low 1	Low 2	Medium 3	High 4	Very High 5
PROBABILITY	75 - 100%	-5	-10	-17	-20	-25
	51 - 74%	-4	-8	-14	-18	-20
	26 - 50%	-3	-7	-10	-15	-19
	6 - 25%	-2	-6	-8	-11	-17
	≤5%	-1	-2	-4	-8	-13

Opportunity Scoring	
Very High	-19 – -25
High	-14 – -18
Medium	-7 – -13
Low	-1 – -6



### 3 Probability and Impact Scoring Criteria

3.1 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.

3.2 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.

#### Issue Rating

Likelihood Criteria	Impact Criteria
100% probability that the risk will materialise or the has materialised.	One or more of the implications will have an effect on Business Plan objectives and/or KPIs.

#### 5 x 5 Threat Impact Scoring Criteria

Likelihood Criteria	Very Low	Low	Medium	High	Very High
	≤5%	6-25%	26-50%	51-74%	>75%
Impact Criteria	Very Low	Low	Medium	High	Very High
<b>Cost</b>	£0 - £100k	£100k - £200k	£200k - £500k	£500k - £800k	£800k - £1m
<b>Reputation</b>	Minimal negative local media coverage quickly remedied /loss of trust and credibility	Minor negative local media coverage quickly remedied /loss of trust and credibility	Moderate negative regional media coverage/loss of trust and credibility	National short – term negative media coverage/considerable loss of trust and credibility	National long – term negative media coverage, significant loss of trust and credibility
<b>External Relationship</b>	Minimal strained relationship with partners and/or third parties	Minor strained relationship with partners and/or third parties	Moderate strained relationship with partners and/or third parties	Evidence of relationship issues with partners and/or third parties	Severe relationship issues with partners and/or third parties.
<b>Quality</b>	Work is fit for purpose but may require minimal changes	Work is fit for purpose but may require minor changes	Moderate changes or specialist resource required to provide high quality outputs	Scope changes required to provide high quality outputs	Project outputs are not credible/robust, with no assurance and partners do not endorse reports
<b>Time</b>	0 – 1 month	1 – 3 months	3 – 9 months	9 – 12 months	12 – 18 months

#### 5 x 5 Opportunity Scoring Criteria

Likelihood Criteria	Very Low	Low	Medium	High	Very High
	≤5%	6-25%	26-50%	51-74%	>75%
Impact Criteria	Very Low	Low	Medium	High	Very High
<b>Cost</b>	-£0 - -£100k	-£100k - -£200k	-£200k - -£500k	-£500k--£800k	-£800k- -£1m
<b>Reputation</b>	Minimal positive local media coverage/ increase of trust and credibility	Minor positive local media coverage/increase of trust and credibility	Moderate positive regional media coverage/increase of trust and credibility	National short – term positive media coverage/considerable increase of trust and credibility	National long – term positive media coverage, significant increase of trust and credibility
<b>External Relationship</b>	Minimal increase in TfN's relationships with partners/third parties	Minor increase in TfN's relationships with partners/third parties	Moderate increase in TfN's relationships with partners/third parties	There is considerable evidence that TfN's relationships with partners/third parties is increasing	Relationships with partners/third parties significantly increased, benefitting TfN's credibility
<b>Quality</b>	Work is high quality with minimal changes	Work is high quality with minor changes	Moderate changes and no additional specialist resource to provide very high-quality outputs	Scope changes not required to exceed high quality outputs	Exceeds credible/robust project output expectations, with assurance and partners endorse reports
<b>Time</b>	0 – -1 month	-1 – -3 months	-3 – -9 months	-9 – -12 months	-12 – -18 months

#### 4 Qualitative Assessment on the Levels of Mitigation Control

- 4.1 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 risk actions and the extent to which TfN is able to influence or control those risk outcomes.
- 4.2 TfN do not have full control over all mitigation actions. The avoidance and reduction of the assessed impacts are contingent on partners and members taking further action.
- 4.3 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 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.
- 4.4 Each assigned control level will be accompanied by a progress summary and the most recent date that it was assessed and updated.

## **5 Qualitative Risk Analysis of TfN’s Corporate Level Risks**

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TCR09: Rail operations – franchise management and investment .....	23
TCR10: TfN cyber security .....	25
TCR11: Co-sponsorship.....	27
TCR12: Technical appraisal, modelling and economics .....	29
TCR13: TfN funding .....	31
TCR14: TfN resources .....	33

## TCR02: TfN’s reputation, political engagement, and effectiveness

ID	Risk Description	Owner	Current Score	Target Score
879	NEW: Despite our statutory status there could be a material change in government's commitment to STB's/ reduction of remit and powers of TfN or a change in views/ approach as to how STB's function.	Chief Executive Officer	17	17
296	There is a risk of disconnect between TfN's statutory powers/remit and stakeholder expectations.	Chief Executive Officer	18	15
640	The internal and external leaking of confidential information may create a legal liability.	Chief Executive Officer	15	15
880	NEW: TfN are unable to provide the One Voice for the north in relation to strategic transport investment priorities, and policy positions.	Chief Executive Officer	18	15

### Impacts:

- Reduction in core funding makes it more difficult for TfN to fulfil statutory responsibilities.
- TfN unable to fulfil its statutory responsibilities requiring a fundamental review of the organisation.
- Failure to make timely, evidence-based advice to Government in respect of priority projects and programmes thereby delaying or preventing 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 statutory responsibilities and powers and partners' perception of its role.
- TfN’s reputation with DfT, partners and members could potentially be adversely affected, with potential legal costs.
- TfN’s relationship with DfT, partners and members could potentially be adversely affected.
- 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.

### Mitigation actions for risk 879:

ID	Control Level and Action Description	Owner	Due
2489	Medium - There is structured engagement with government officials and decision-makers.	Chief Executive Officer	Dec 22
2490	Medium - TfN continue to respond to any DfT proposals and develop a revised version of Memorandum of Understanding (MOU) between DfT and TfN.	Chief Executive Officer	Dec 22

2491	Medium - TfN to demonstrate through priorities identified in the Business Plan that it delivers value for money, maximises the efficiency of taxpayer money and provides additional value to its partners (nationally and across the North) that realises benefit to the north of England.	Chief Executive Officer	Dec 22
2492	Medium - Maximise the input and contribution of Partnership Board through increased engagement and consultation.	Chief Executive Officer	Sept 22
2493	Medium - Engagement with other Statutory Transport Bodies (STB)'s to identify areas of common interest and opportunities for collaboration.	Chief Executive Officer	Ongoing

#### Mitigation actions for risk:296

ID	Control Level and Action Description	Owner	Due
949	Medium - There is continuous engagement with stakeholders, and partners, to continue to represent 'One Voice' for the North.	Chief Executive Officer	Ongoing
1548	Medium - TfN's Business Plan to be sustainable, with clear explanations of TfN activities.	Chief Executive Officer	Jun 22

#### Mitigation actions for risk:640

ID	Control Level and Action Description	Owner	Due
1551	Medium - TfN has in place Confidentiality Agreements with Constituent Authorities in relation to Northern Powerful House 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.	Head of Legal Services	Ongoing
1553	Medium - 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.	Head of Legal Services	Ongoing
1554	Medium - 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 public authority. This will support the reduction of the risk of deliberate or accidental disclosure of information shared on a confidential basis.	Head of Legal Services	Ongoing

**Mitigation actions for risk 880:**

<b>ID</b>	<b>Control Level and Action Description</b>	<b>Owner</b>	<b>Due</b>
2494	High - As part of the second Strategic Transport Plan work, maximise utilisation of existing forums to ensure Partners are actively engaged.	Interim Strategy and Programme Director	Sept 22
2495	High - Use established governance to ensure that focus on key priorities are understood and that stakeholders are actively engaged.	Interim Strategy and Programme Director	Jun 22
2496	Medium - There is continuous engagement with Members and constituent authorities, stakeholders, and partners, to continue to represent the 'One Voice' for the North.	Chief Executive Officer	Ongoing

### TCR03: Embedding Strategic Transport Plan (STP) across programmes

ID	Risk Description	Owner	Current Score	Target Score
641	Inconsistency between the second STP's policy positions and delivery of TfN workstreams.	Interim Strategy and Programme Director	11	8
881	NEW: TfN is unable to produce a second STP that is acceptable to both the TfN board and government.	Interim Strategy and Programme Director	20	15

#### Impacts:

- 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 because of uncoordinated activity weakens TfN's reputation with government, constituent authorities and wider stakeholders.
- TfN's credibility could be negatively impacted.
- TfN do not produce a credible second STP that is endorsed by TfN board and government.
- Significant TfN reputational challenges with TfN board and government, as well as financial and time implications.

#### Mitigation actions for risk 641:

ID	Control Level and Action Description	Owner	Due
1556	High - 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.	Interim Strategy and Programme Director	Ongoing
1557	Medium - 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. 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.	Interim Strategy and Programme Director	Jun 22
1558	High - 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.	Interim Strategy and Programme Director	Sept 22



1559	High - The new 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.	Interim Strategy and Programme Director	Ongoing
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**Mitigation actions for risk 881:**

<b>ID</b>	<b>Control Level and Action Description</b>	<b>Owner</b>	<b>Due</b>
2497	High - Comparing sustainable business plan with TfN objectives	Interim Strategy and Programme Director	Jun 22
2498	Medium - Continued direct engagement with partners and government departments over TfN's objectives and approach to the Second STP	Interim Strategy and Programme Director	Ongoing
2499	Medium - Developing a clear programme of activity for second STP and managing through SOG exec board and TFN board.	Interim Strategy and Programme Director	Dec 22
2500	High - Work with partners to review and update Northern Power Independent Economic Review.	Interim Strategy and Programme Director	Sept 22
2501	High - Manage interdependencies with Northern Power Independent Economic Review, which will run in parallel with STP2.	Interim Strategy and Programme Director	Dec 22

#### TCR04: Delivery of robust and compelling evidence to support Investment Programmes

ID	Risk Description	Owner	Current Score	Target Score
298	There is a risk that TfN might be unable to make a timely, robust, credible, evidence-based case for investment in transport.	Interim Strategy and Programme Director	15	11

#### Impacts:

- 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.
- Programme delays could result in extra costs and resources.

#### Mitigation actions for risk 298:

ID	Control Level and Action Description	Owner	Due
953	Medium - 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.	Interim Strategy and Programme Director	Jun 22
954	High - Ensure programmes are realistic and achievable and are being re-adjusted if required, without significantly impacting delivery against TfN's core objectives.	Interim Strategy and Programme Director	Jun 22
955	Medium - 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.	Interim Strategy and Programme Director	Ongoing
2509	High - 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.	Interim Strategy and Programme Director	Jun 22

957	High - Reviewing TAME structure in line with business plan commitments.	Interim Strategy and Programme Director	Jun 22
2502	High - Strengthen TAME governance for more transparent prioritisation of activity.	Interim Strategy and Programme Director	Jun 22
2503	Medium - Build in suitable Project Management controls into the team.	Interim Strategy and Programme Director	Sept 22
2504	Medium - Use evidence to provide recommendations to the Secretary of State for Road Investment Strategy.	Major Roads Director	Dec 22
2505	Medium - Use evidence to provide recommendations to the Secretary of State for Rail Network Enhancement Pipeline.	Strategic Rail Director	Dec 22

## TCR05: Transport decarbonisation and climate change

ID	Risk Description	Owner	Current Score	Target Score
299	Within its Decarbonisation Strategy, TfN and its partners have committed to achieving close to zero emissions for surface transport in the North by 2045. TfN is unable to deliver its contribution to achieving this target.	Interim Strategy and Programme Director	11	8

### Impacts:

- TfN fails to deliver on its commitments laid out within the TfN Decarbonisation Strategy.
- Adverse impacts on TfN credibility and influence as a Sub-National Transport Body.
- 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.

### Mitigation actions for risk 299:

ID	Control Level and Action Description	Owner	Due
959	High - 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.	Interim Strategy and Programme Director	Ongoing
2362	Medium - Develop mechanisms to ensure decarbonisation and sustainability are reflected in project and strategy decision-making.	Interim Strategy and Programme Director	Mar 23
2425	Low - Aspiration to undertake an appraisal of the relative carbon benefits associated with the remaining activities defined within the decarbonisation strategy, dependant on funding	Interim Strategy and Programme Director	Mar 23
2506	Medium - Continue to influence and engage with stakeholders and maintain reputational credibility	Interim Strategy and Programme Director	Ongoing

2507	Medium - Work underway for TfN to produce a carbon assessment	Interim Strategy and Programme Director	Jun 22
2508	Medium - Embedding decarbonisation into wider TfN workstreams including freight and social inclusion and testing the interdependencies	Interim Strategy and Programme Director	Ongoing

## TCR07: TfN compliance and relevant laws and regulations

ID	Risk Description	Owner	Current Score	Target Score
303	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 exceeds its powers.	Business Capabilities Director	11	11

### Impacts:

- 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.

### Mitigation actions for risk 303:

ID	Control Level and Action Description	Owner	Due
970	High - TfN has suitably qualified officers in all senior positions, particularly the HoPS, S151 Officer and Monitoring Officer. In addition, TfN has employed an in-house legal team.	Head of Legal Services	Ongoing
971	High - TfN ensures there are clear and well documented processes and procedures in place.	Head of Legal Services	Ongoing
972	High - Ongoing training on laws and legislations and communication across the organisation.	Head of Legal Services	Ongoing
973	High - Procedures are in place through Modern.Gov to ensure that there is continuous legal review to TfN's Boards and Committees. Modern.gov champions now in place and have received initial training to help to widen corporate knowledge of modern.gov to support governance and resilience.	Head of Legal Services	Ongoing

974	High - TfN employs in house legal and procurement specialists and where necessary seeks external legal advice on commissioning and procurement.	Head of Legal Services	Ongoing
1569	High - A new process, Modern.Gov is being implemented to streamline report approvals and support efficient decision-making. Modern.gov champions have been identified and have received initial training to widen corporate understanding of the system and help support governance and resilience.	Head of Legal Services	Ongoing
1570	High - TfN will seek external legal advice on legal issues as identified by the legal in-house team.	Head of Legal Services	Ongoing
1571	High - TfN has employer's liability, public liability, and professional indemnity insurance in place to mitigate any financial liability.	Head of Legal Services	Ongoing
2310	Medium - Audit and Governance Committee has core functions supporting compliance with laws regulations and best practice, including monitoring governance risks and control.	Head of Legal Services	Ongoing



## TCR09: Rail operations – franchise management and investment

ID	Risk Description	Owner	Current Score	Target Score
309	The long-term effect of Covid-19 may impact on the viability of train services and future investment decisions. The pandemic has changed travel patterns and behaviours and therefore service and investment decisions will need to reflect new markets and emerging evidence of demand.	Strategic Rail Director	17	17
310	There is a risk that TfN could have a reduced role in the rail industry following the implementation of the Williams-Shapps review.	Strategic Rail Director	19	17
311	Future timetable changes in Manchester and potential East Coast Main Line in May 2023 that reduces rail connectivity for the North.	Strategic Rail Director	18	18

### Impacts:

- Low passenger numbers post-Covid could reduce the viability of some existing services.
- Less investment in services and infrastructure because 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 is being 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 and on local connectivity, thereby reducing choice for passengers.
- 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.

### Mitigation actions for risk 309:

ID	Control Level and Action Description	Owner	Due
980	Low - To continue to use TfN's influence in the monthly Rail North Partnership Board, Rail North Committee to shape the re-introduction of services, and infrastructure developments and re-build passenger confidence.	Strategic Rail Director	Ongoing

981	Medium - To continue with the close working relationship and communication with TfN member authorities on deliverables and risks - feeding back information through TfN governance structures.	Strategic Rail Director	Ongoing
1578	Medium - To continue to track train service performance and delivery via regular reporting dashboards.	Strategic Rail Director	Ongoing
1579	Medium - 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.	Strategic Rail Director	Ongoing

#### Mitigation actions for risk 310:

ID	Control Level and Action Description	Owner	Due
1638	High - 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.	Strategic Rail Director	Mar 23
983	High - TfN are establishing a programme board from April 22 chaired by TfN's CEO.	Strategic Rail Director	Mar 23

#### Mitigation actions for risk 311:

ID	Control Level and Action Description	Owner	Due
1581	Medium - 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.	Strategic Rail Director	Ongoing
985	High - 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.	Strategic Rail Director	Ongoing

## TCR10: TfN cyber security

ID	Risk Description	Owner	Current Score	Target Score
876	NEW: Cyber disruption/attacks to the available information and technical infrastructure. Inappropriate user access to confidential information. Access may be limited for an unknown period of time.	Business Capabilities Director	10	10
887	NEW: Data is removed purposefully from the TfN's systems.	Business Capabilities Director	10	8

### Impacts:

- Site outages, loss of resource time, which could impact on programme timescales, impact on cost for restoration of resources and information.
- Ransomware, compromise of information, potential legal implications due leakage of data/GDPR fines which leads to reputational challenges
- Damage to TfN's reputation and credibility.
- TfN's relations with the DfT, partners and members could potentially be adversely affected.
- There could be a loss of resource time, delays to programmes and costs incurred to restore or replace data.

### Mitigation actions for risk 876:

ID	Control Level and Action Description	Owner	Due
2472	Medium - IT and Data Policies to be produced, reviewed, and updated in line with known cyber threats.	Head of IT and Information	Ongoing
2473	Medium - Training to all TfN staff performed on new policies.	Head of IT and Information	Ongoing
2474	Medium - Communications Plan in place for regular updates to employees when required.	Head of IT and Information	Ongoing
2475	Medium - Monitoring and compliance checks performed (e.g. Phishing attacks).	Head of IT and Information	Ongoing
2476	Medium - On-going/monitoring security updates performed to user devices and software services.	Head of IT and Information	Ongoing
2477	Medium - Business Continuity Plan checks, system reviews and restoration timescales regularly assessed.	Head of IT and Information	Ongoing

2478	Medium - Insurance cover in place for ransoms where required.	Head of IT and Information	Ongoing
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**Mitigation actions for risk 887:**

<b>ID</b>	<b>Control Level and Action Description</b>	<b>Owner</b>	<b>Due</b>
2530	Medium - IT to monitor any changes in patterns with data management, especially mass deletions.	Head of IT and Information	Ongoing
2531	Medium - IT to continue to restrict personal email address for use on SharePoint to limit data transfer risk.	Head of IT and Information	Ongoing
2532	Medium - IT and Data Policies in place, reviewed and updated regularly.	Head of IT and Information	Ongoing

## TCR11: Co-sponsorship

ID	Risk Description	Owner	Current Score	Target Score
877	NEW: Change to the agreed Terms of Reference for the Sponsor Board and associated delivery arrangements.	Chief Executive Officer	14	10
647	NEW: The publication of the IRP has set out the Government's proposals in respect of NPR, TRU and HS2: it also sets out the need for further work to be undertaken. There is a risk that individual programmes are not aligned and expected benefits not realised.	Interim Strategy and Programme Director	18	15

### Impacts:

- Reduction in engagement with TfN members could impact on the speed of delivering agreed investment priorities and result in missed opportunities to maximise wider benefits of agreed investment.
- A less effective sponsorship arrangement could result in missed opportunities to align investment in IRP with other delivery opportunities across the industry, which could impact on TfN's credibility and reputation with our partners and the public.
- 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.

### Mitigation actions for risk 877:

ID	Control Level and Action Description	Owner	Due
2479	High - Establish Sponsor Board and use it to finalise roles and responsibilities for co-sponsorship.	Chief Executive Officer	Jun 22
2480	High - Agree governance for future decision making.	Chief Executive Officer	Jun 22
2481	Medium - Agree regular engagement forums to ensure alignment with programme/escalation of key issues.	Chief Executive Officer	Jun 22
2482	Medium - Design TfN sponsorship function and agree through business planning.	Chief Executive Officer	Jun 22

**Mitigation actions for risk 647:**

<b>ID</b>	<b>Control Level and Action Description</b>	<b>Owner</b>	<b>Due</b>
2510	Medium - Define TfN's future role on programme boards through the design of the NPR sponsor function.	Interim Strategy and Programme Director	Jun 22
2546	High - Establish Sponsor Board and use it as a mechanism for working with DfT to address programme alignment issues.	Chief Executive Officer	Jun 22
2511	Medium - TfN to chair the new TRU stakeholder forum that will directly influence the TRU programme board.	Strategic Rail Director	Ongoing
2547	Medium - TfN using its role on the North of England integration board to ensure alignment of benefits.	Strategic Rail Director	Ongoing

## TCR12: Technical appraisal, modelling and economics

ID	Risk Description	Owner	Current Score	Target Score
882	NEW: Providing a direct service to DfT, limits TAME's services in delivering TfN 's objectives.	Interim Strategy and Programme Director	10	8
884	NEW: Legal and commercial restrictions. TfN is not legally allowed to share its models or data with Partners.	Interim Strategy and Programme Director	20	15
885	NEW Opportunity: TAME is an area where TfN can offer more analytical services to partners both nationally and locally, as a centre of excellence that is user-centred, place-based and outcome focused.	Interim Strategy and Programme Director	-11	-18

### Impacts:

- TAME and TfN could be perceived to be prioritising NPR work above other TfN priorities or undertaking analysis of options that conflicts with requirements of Sponsor Board.
- Analysis undertaken for DfT is mis-represented as "TfN evidence".
- TfN is unable to complete the evidence base for its statutory role.
- TfN has a responsibility to share data with Partners as it develops its role as an industry leader and centre of excellence, so the inability to do so would cause reputational damage and loss of credibility.
- Restrictions in sharing data or models could cause delays to individual projects, which could result in additional costs and limit TfN's ability to expand the scope of its analytical services
- Increase TfN's chance of securing additional future funding through capabilities.
- Improved relations and reputation with government and partners as a recognised centre of excellence locally, regionally, and nationally.
- A source of trusted information, that available to all our partners.
- Improving outcomes for partners including efficiencies of public funding

### Mitigation actions for risk 882:

ID	Control Level and Action Description	Owner	Due
2512	Medium - Finalise grant funding agreement and underpinning the Memorandum of Understanding.	Chief Executive Officer	Jun 22



2513	Medium - Review structure of TAME within business planning and ensure appropriate resources available for TfN facing programme.	Chief Executive Officer	Jun 22
2514	Medium - Establish the Analytical Steering Group (as set out in the GFA) and agree DfT requirements and deadlines.	Chief Executive Officer	Jun 22
2515	High - Strengthen internal TfN TAME governance to enable more transparent prioritisation of activity.	Chief Executive Officer	Jun 22

#### Mitigation actions for risk 884:

ID	Control Level and Action Description	Owner	Due
2521	Medium - Introducing consideration of data licencing at the start of projects, including early engagement with the legal team.	Interim Strategy and Programme Director	Sept 22
2522	Medium - Present a proposal for TfN's licensing strategy to OBT, including data sharing protocols and clarity on commercial arrangements.	Interim Strategy and Programme Director	Sept 22
2523	Medium - Invite Kemp lawyers to facilitate an educational workshop with TAME and wider TfN colleagues on derived data.	Interim Strategy and Programme Director	Jun 22
2525	Low - Create a flow chart of all model data inputs and outputs that can be circulated with teams and Partners.	Interim Strategy and Programme Director	Jun 22
2526	High - Contact all data input suppliers to obtain licences that allow TfN to share data.	Interim Strategy and Programme Director	Sept 22

#### Actions for opportunity 885:

ID	Control Level and Action Description	Owner	Due
2527	High - Explore and identify TAME capabilities and collaboration opportunities with partners through analytical assurance group and SOG.	Interim Strategy and Programme Director	Ongoing
2528	High - Outline TAME opportunity in business planning 2022/23, matching available resources to key TfN core priorities, including the introduction of new prioritisation mechanisms where appropriate.	Interim Strategy and Programme Director	Jun 22
2529	Low - Ensure all core and NPR business plan commitments are prioritised before offering TAME services to third parties.	Interim Strategy and Programme Director	Ongoing

### TCR13: TfN funding

ID	Risk Description	Risk Owner	Current Score	Target Score
300	There is a risk that TfN fails to deliver Value for Money in all areas within the funding allocation	Finance Director	17	13
878	NEW: Funding levels are significantly reduced which creates a misalignment with TfN's medium to long term business planning	Chief Executive Officer	19	17
886	NEW ISSUE: TfN have received a one-year funding settlement and no indicative funding beyond March 2023.	Chief Executive Officer		

#### Impacts:

- Failure to achieve Value for Money could impact on TfN's ability to access funding in the future.
- TfN unable to deliver statutory duties responsibilities.
- TfN's ability to retain/recruit suitably qualified staff.
- Reduction of funding and potential redundancies could damage organisational culture and lead to, unhealthy work/life balances/staff wellbeing.
- Lack of direction for the organisation could result in lower staff morale and potential resignations.
- TfN reputational damage and loss of credibility
- Significant implications to employees of TfN and retaining a workforce. TfN is unable to plan resourcing effectively and there is a significant barrier in attracting candidates.
- TfN's relationship with the DfT, partners and members could potentially be adversely affected.

#### Mitigation actions for risk 300:

ID	Control Level and Action Description	Owner	Due
962	High - Clear and well documented processes and procedures are in place. External audit review and report on value for money on an annual basis	Finance Director	Ongoing
963	High - Commissioning processes include OBT sign-off of expenditure, and explicit approval for expenditure against a schedule of delegations.	Finance Director	Ongoing

1564	High - 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.	Business Capabilities Director	Ongoing
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**Mitigation actions for risk 878:**

ID	Control Level and Action Description	Owner	Due
2483	High - Engagement with stakeholders to ensure the case for TfN's funding is supported by all Board members (Political and Business leaders), and amongst the North's MPs.	Chief Executive Officer	Dec 22
2484	Medium - There is structured engagement with government officials and decision-makers.	Chief Executive Officer	Dec 22
2485	Medium - TfN and DfT collaborative working to develop a revised version of Memorandum of Understanding.	Chief Executive Officer	Dec 22
2486	Medium - TfN to demonstrate that it delivers value for money, maximises the efficiency of taxpayer money and provide additional value and benefit for Partners in the north of England through a prioritised and sustainable business plan.	Chief Executive Officer	Dec 22

**Actions for issue 886:**

ID	Control Level and Action Description	Owner	Due
2534	Medium - Preparation of Business Plan on the basis of a reasonable planning assumption for future years' funding	Chief Executive Officer	Jun 22
2535	Medium - Secure DfT endorsement for Business Plan	Chief Executive Officer	Jun 22
2356	Medium - Demonstration of TfN value for money through agreement with DfT on KPIs	Chief Executive Officer	Jun 22

## TCR14: TfN resources

ID	Risk Description	Owner	Current Score	Target Score
643	TfN's is unable to recruit and retain suitable staff to deliver the 2022/23 business plan and medium to long term TfN objectives	Business Capabilities Director	25	20

### Impacts:

- Failure to recruit and retain the people with the right skills could negatively impact on TfN's ability to deliver its objectives and priorities.
- Damage to the organisational culture, staff morale and confidence.
- TfN reputational damage and loss of credibility.

### Mitigation actions for risk 643:

ID	Control Level and Action Description	Owner	Due
1566	High - Update People Strategy (People Management Framework) aligned to the outcomes of the ongoing change agenda and timescales. This may include, reward, workforce/skills planning, succession planning, recruitment and selection, talent, and performance management.	Business Capabilities Director	Ongoing
1568	Medium - To continue to brief and update staff through the monthly updates, regular bulletins, Team talks, intranet, employee forum and SMT meetings.	Business Capabilities Director	Ongoing
2487	High - Work with the Business Planning working group to redesign and downsize the organisation in line with the budget and business planning 2022/23.	Chief Executive Officer	Jun 22
2488	Medium - Work with the HR and Skills Team to provide development and training opportunities within TfN e.g. non-technical skills in the TAME team.	Interim Strategy and Programme Director	Mar 23
2533	Medium - Agree a recruitment strategy for the TAME team	Business Capabilities Director	Sept 22
2537	High - Full and proper consultation with UNISON - to continue regular formal meetings	Business Capabilities Director	Ongoing



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