

TfN Corporate Risk assurance report

TfN have completed a thorough review of all corporate risks. The risk assurance exercise has been completed in line with TfN's 3 lines of defence. This summary report provides an overview of these risks, including risk scores, assurance levels and identification of any gaps in the current controls and mitigating actions.

Each control has been evaluated using the following criteria:

| | |
|-----------|---|
| Limited | Significant concerns over the adequacy/effectiveness of controls in place in proportion to the risk |
| Adequate | Controls are applied but improvements required |
| Effective | Controls in place are effective and proportionate to the risk |

Number of risks, per risk assurance criteria

| | Effective | Adequate | Limited | Closed | Total |
|------------------------|-----------|----------|---------|--------|-------|
| Number of Risks | 18 | 1 | 0 | 1 | 20 |

All risk and action owners are responsible for ensuring any gaps in evidence are actioned within the agreed timescales.

Corporate risk assurance

| ID | Risk | Owner | Current Score | Target Score | Overall Assurance | Controls Evaluation | Gaps in Evidence/ Actions Required |
|-----|---|-------------------------|---------------|--------------|-------------------|---------------------------|--|
| 916 | Material variations from the funding/cost planning assumptions that underpin medium term sustainability | Finance Director | 19 | 19 | Effective | 3 Controls, all effective | <p>New action: Medium level of control: Perform financial contingency planning by stress testing TfN's financial planning assumptions.</p> <p>Owner: Finance Director Due: 31 December 2023</p> |
| 310 | There is a risk that TfN could have a reduced role in the rail industry following the implementation of rail reform including the role with Great British Railways. | Rail & Roads Director | 19 | 17 | Effective | 1 effective control | <p>2 new actions for control assurance:</p> <p>Action 1: Team to provide Risk Manager with sight of Programme actions after each meeting for transparency.</p> <p>Action 2: Team to establish the frequency of Programme Board, which will help to inform deadline for above action.</p> <p>Owner: Head of Strategic Rail Due: 31 October '23.</p> |
| 880 | 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 | Effective | 3 Controls, all effective | |
| 647 | 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. | Rail & Roads Director | 18 | 15 | Effective | 3 Controls, all effective | |

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|-----|---|-------------------------|---------------|--------------|-------------------|---------------------------|------------------------------------|
| 309 | The long-term effect of Covid-19/current fiscal environment 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. | Rail & Roads Director | 17 | 17 | Effective | 3 Controls, all effective | |
| 879 | 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 | Effective | 4 Controls, all effective | |
| 643 | TfN's is unable to recruit and retain suitable staff to deliver the 2023/24 business plan and medium to long term TfN objectives | Head of Human Resources | 17 | 17 | Effective | 7 Controls, all effective | |
| 300 | There is a risk that TfN fails to deliver Value for Money | Finance Director | 17 | 13 | Effective | 2 Controls, all effective | |

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|-----|--|-------------------------------------|---------------|--------------|-------------------|--|--|
| 881 | TfN are unable to produce a draft STP that will be endorsed by TfN Board and government in time to consult and then adopt the plan by the end of 2023. | Strategy, Analysis & Comms Director | 17 | 8 | Effective | 2 Controls, all effective | |
| 640 | Inappropriate disclosure of confidential information may create a legal liability. | Chief Executive Officer | 15 | 15 | Effective | 4 Controls, 3 effective and 1 adequate | <p>New action for control assurance: Moving confidentiality agreements to central location (where applicable), update as required so all LAs have appropriate documents. Provide screenshots as evidence. Ask, via internal comms, for employees to share location of contracts.</p> <p>Owner: Governance, Data Protection & Contracts Lawyer Due: 30 March 2024</p> |
| 311 | Future timetable changes in the North reduce rail connectivity. | Rail & Roads Director | 15 | 15 | Effective | 3 Controls, all effective | |
| 298 | There is a risk that TfN might be unable to make a timely, robust, credible, evidence-based case for investment in transport. | Rail & Roads Director | 15 | 11 | Effective | 3 Controls, all effective | |

Corporate risk assurance

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|-----|---|-------------------------------------|---------------|--------------|-------------------|--|--|
| 303 | TfN fails to comply with applicable law or exceeds its powers while carrying out its functions. | Head of Legal | 11 | 11 | Effective | 7 Controls, 6 effective and 1 adequate | <p>New Action for control assurance: Action 1: Consider how other public bodies demonstrate compliance and assurance with their processes and procedures. and compare relevant aspects to TfN's, considering updating where best practice is considered to be required. Owner: Head of Legal Due Date: 31 March 24 Action 2: Consider periodic reporting to OBT with compliance update. Owner: Head of Legal Due Date: 31 March 24</p> <p>Deep dive scheduled for 2024</p> |
| 920 | Failure to comply with good practice, governance and corporate processes across the organisation. | Chief Executive Officer | 11 | 8 | Adequate | 2 Controls, all adequate | <p>New Action for control assurance: To ensure TfN has robust and appropriate processes in place it continues to adopt a continuous improvement process formed by adherence to key controls and feedback from management of key stakeholders. To be captured as part of departmental work plans. Owner: Operating Board Due Date: 31 March 24</p> |
| 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. | Strategy, Analysis & Comms Director | 11 | 8 | Effective | 4 Controls, all effective | |

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|-----|--|-------------------------------------|---------------|--------------|-------------------|---------------------------|---|
| 876 | Cyber disruption/attacks to the available information and technical infrastructure. Inappropriate user access to confidential information. Access maybe limited for an unknown period of time | IT Manager | 10 | 10 | Effective | 8 Controls, all effective | Deep dive scheduled for 2024 |
| 882 | Providing a direct service to DfT could create short term operational challenges to TAME's services in delivering TfN 's objectives | Strategy, Analysis & Comms Director | 10 | 8 | Effective | 1 Control, effective | Action 2842 on programme changed to a control, now that the programme has been established. |
| 999 | Mismatch between the TfN offer and what resources TfN currently have in place | Strategy, Analysis & Comms Director | 10 | 8 | Effective | 2 Controls, all effective | Deep dive scheduled for 2024 |
| 877 | TfN is unable to influence the NPR Programme to ensure that agreed outputs are delivered in a way that works for the North and that the TfN Board and TfN Partners have appropriate involvement in NPR and the ability to influence its development. | Rail & Roads Director | 10 | 8 | Effective | 2 Controls, all effective | Deep dive scheduled for 2025 |

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|-----|---|-------------------------|---------------|--------------|-------------------|---------------------|-------------------------------------|
| 296 | There is a risk of disconnect between TfN's statutory powers/remit and stakeholder expectations | Chief Executive Officer | | | | | Risk Closed; duplicate of risk 880. |

As a result of the risk assurance exercise on the Corporate risk register, the following amendments have been made:

- 1 risk closed
- 1 action changed to a control
- 4 controls closed
- 5 controls amended
- 5 control assurance actions identified
- 1 new action
- 2 new causes and 1 new effect
- 3 new controls
- 4 deep dives will be scheduled for 2024/25