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**Meeting:** Transport for the North Board  
**Subject:** Corporate Risk Register  
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**Sponsor:** Paul Kelly, Finance Director  
**Meeting Date:** Wednesday 20 March 2024

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**1. Purpose of the Report:**

- 1.1 The purpose of this report is for TfN Board to gain awareness of TfN's corporate risks and risk-based activity over the last 6 months.

**2. Recommendations:**

- 2.1 TfN Board is invited to note TfN's corporate risks and risk management activity over the last 6 months.

**3. Background:**

- 3.1 As stated in the risk management strategy, the Board will receive a regular high-level summary of TfN's risk environment (Corporate Risk Register).

This report provides the Board with an update on the key organisational risks, which reflect the milestones, and business objectives outlined in the Business Plan for financial year 2023/24.

The three very high corporate risks are:

- Risk 647, Following the announcement of the cancellation of HS2, the policy announcement for Network North and the publication of the IRP that set out the Government's proposals in respect of NPR and TRU. There is a risk that individual programmes are not aligned and expected benefits not realised.
- Risk 916, Material variations from the funding/cost planning assumptions that underpin medium term sustainability.
- Risk 310, TfN could have a reduced role in the rail industry following the implementation of rail reform including the role with Great British Railways.

- 3.2 The Audit and Governance Committee provides assurance to the Board that efficient and effective risk management practice and processes are in place.

Its role in relation to risk is included in the broader detail of the Constitution, which is defined below:

*"Audit and Governance Committee is a key component of corporate governance providing an independent, high-level focus on the audit, assurance and reporting framework underpinning financial management and governance arrangements. Its purpose is to provide independent review and assurance to Members on governance, risk management and control frameworks."*

- 3.3 The terms of reference for the Audit and Governance Committee includes the requirement to:

*"monitor Transport for the North's risk and performance management arrangements including review of the risk register, and progress with mitigating action".*

- 3.4 The Corporate Risk Register was presented to the Audit and Governance Committee on 8 March 2024. The Audit and Governance Committee has delivered against the terms of reference which included discussions in relation to TfN's risk management practices.

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Functional risk continues to be managed at functional levels and is considered individually and holistically at OBT quarterly.

A risk "deep dive" took place at Audit and Governance Committee in March for corporate risk 876 TfN Cyber Security. There were detailed discussions with committee members. TfN's IT Information Manager attended to discuss the risk in more detail.

Risk is a standing item at Audit and Governance Committee meetings and the Corporate Risk Register and Risk Management Strategy have been updated systematically during the year. This is highlighted in the Chair of Audit and Governance Committee's report to the Board, which provides assurance for TfN that efficient and effective risk management practice and processes are in place.

- 3.5 Following on from one of the actions identified by RSM (who undertake the internal audit service provision), as part of the risk maturity audit, TfN have undertaken its first assurance review with the CEO, Directors & members of SMT on all corporate risks.

#### **4. Summary:**

- 4.1 Risk workshops have taken place with the CEO, Directors and members of SMT across TfN, and all existing/new risks and mitigation actions have been reviewed and updated.
- 4.2 A risk "deep dive" was undertaken at Audit and Governance Committee on 8 March 2024 for corporate risk 876, TfN Cyber Security. There was a substantial level of engagement from members and a good level of assurance was gained.

#### **5. Corporate Considerations:**

##### **5.1 Financial Implications**

The financial implications are detailed within individual risks where applicable.

##### **5.2 Resource Implications**

The resource implications are detailed within individual risks where applicable.

##### **5.3 Legal Implications**

The legal implications are detailed within individual risks where applicable.

One of the purposes of the Audit and Governance Committee is to provide independent review and assurance to members on risk management. It also has to be satisfied that TfN's assurance framework adequately addresses risks. Its role is also to monitor TfN's risk arrangements including a review of the risk register and progress with mitigating action and the assurance map.

##### **5.4 Risk Management and Key Issues**

Section 1 of the Corporate Risk Register is part of this report.

##### **5.5 Environmental Implications**

There are no environmental implications from this report, and an impact assessment is not required.

##### **5.6 Equality and Diversity**

A full impact assessment is not required for this report.

##### **5.7 Consultations**

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The CEO, Directors and members of SMT across TfN have been consulted as part of the risk workshops, and all existing risks and mitigation actions have been reviewed and updated.

**6. Background Papers:**

6.1 None

**7. Appendices:**

7.1 Appendix 1 – Section 1 Corporate Risk Register Feb 2024