

Meeting: Transport for the North Board
Subject: Corporate Risk Register and Risk Management Strategy Report
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Meeting Date: Thursday 29 September 2022

1. Background:

- 1.1 This report provides the Board with an update on the key organisational risks, which reflect the KPI's, and business objectives outlined in the agreed Business Plan for financial year 2022/23.
- 1.2 It is essential that Transport for the North and its programme teams recognise, understand, and manage the risks that could impact on its ability to achieve its objectives and priorities. The challenges and uncertainty faced by Transport for the North create both threats that need to be addressed, and opportunities that can potentially be exploited. Transport for the North's Corporate Risk Register is presented at Appendix 1.
- 1.3 The Audit and Governance Committee's 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. It oversees financial reporting, the Annual Governance Statement process and internal and external audit, to ensure efficient and effective assurance arrangements are in place."
- 1.4 The terms of reference for the Audit and Governance Committee includes the requirement for the committee to:
"monitor Transport for the North's risk and performance management arrangements including review of the risk register, and progress with mitigating action".
- 1.5 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 report to the board, which provides assurance for TfN that efficient and effective risk management practice and processes are in place.

2. Recommendations:

- 2.1 TfN Board is invited to:
Consider and note the updates to the key organisational risks and the risk management strategy.

3. Summary:

- 3.1 Risk workshops have taken place with Directors across TfN and all existing risks and mitigation actions have been reviewed and updated. New risks and actions have been identified where appropriate.
- 3.2 Updates have been made to the Risk Management Strategy following a thorough review, which includes TfN's risk appetite statement.

Historically we have provided the same information to all levels of governance. In-line with modifications made to Risk Management Strategy we are ensuring relevant information is received by each level of governance to align with roles as defined within the constitution.

3.3 The top risk themes are currently:

- TfN resources
- TfN funding
- Strategic Transport Plan (STP)
- Technical appraisal, modelling, and economics
- TfN's reputation, political engagement, and effectiveness
- Rail operations - franchise management and investment

4. Considerations:

4.1 Transport for the North's approach to managing risk is described in its Risk Management Strategy ("RMS") which sets out guidance for how risks are identified, assessed, managed, and reported. The RMS has been applied in updating the Corporate Risk Register.

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. Governance processes adopted are explained within the report.

5.4 *Risk Management and Key Issues*

The Corporate Risk Register is part of this report.

5.5 *Environmental Implications*

A full impact assessment is not required for this report.

5.6 *Equality and Diversity*

A full impact assessment is not required for this report.

5.7 *Consultations*

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

6. Background Papers:

6.1 The Corporate Risk Register presented as a standing item at each Audit & Governance Committee provide the background papers and context for this report.

7. Appendices:

7.1 Appendix 1 – Section 1 Corporate Risk Register Sept 2022

7.2 Appendix 2 – Risk Management Strategy