
Meeting: Transport for the North Audit & Governance Committee
Subject: Corporate Risk Review
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Meeting Date: Friday 18 November 2022

1. Background:

- 1.1 Transport for the North (TfN) has updated the Corporate Risk Register (CRR) to reflect the Key Performance Indicators (KPIs) and Business Objectives outlined in the Business Plan for Financial Year 2022/23.
- 1.2 The CRR was last presented to TfN Board on 29 September 2022. The next scheduled Board meeting at which the CRR is due to be presented is 23 March 2023.
- 1.3 The updated CRR was presented to Operating Board on 1 November 2022.
- 1.4 TfN's corporate risks stem from the agreed KPIs and from a range of other 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. TfN's Corporate Risk Register is presented at Appendix 4.1.

2. Recommendations:

- 2.1 That the Committee considers updates to the CRR, notes the four management actions concluded as part of the RSM risk maturity audit and reviews the EVCI project risks ahead of the deep dive. This is to provide assurance, that efficient and effective risk management practice and processes are in place.

3. RSM Risk Maturity Audit – Four Management Actions:

- 3.1
 1. Risk Champions will ensure all areas of the Predict Risk Management System are utilised including progress updates and the basis of assessment.
Implementation Date: 31 May 2023.
 2. Audit and Governance Committee will perform a deep dive into a chosen risk from the CRR. Following this, a programme of risk deep dives will be agreed with Audit and Governance Committee. **Implementation Date 28 February 2023.**
 - 3a. TfN will establish a Board Assurance Framework, which will include the main areas of risk for TfN and where TfN gets assurance in each area. The Board Assurance will provide for cyclical assessment of controls and the provision of assurance will be clearly detailed within the Risk Management Strategy.
Implementation Date: 31 March 2023
 - 3b. The Risk Manager will work alongside Risk Owners for the key corporate risks to ensure the Board Assurance framework is embedded and applied for all assurance areas. **Implementation Date: 31 October 2023**
 4. The Risk Management Strategy will be amended to include the factors that will be considered when escalating risks to the Operating Board. This could include risks that exceed TfN's risk appetite or could be driven by strategic themes outlined in the business plan. **Implementation Date: 31 December 2022**

4. TfN Themes:

4.1 The top risk themes are currently:

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

For further details of key changes made please see the Executive Summary of the CRR (Appendix 1).

5. EVCI Risks - Deep Dive

5.1 A deep dive into EVCI risks is scheduled at Audit and Governance Committee on 18 November. Currently, one issue, three risks and one opportunity are identified on the EVCI project risk register. The slide pack at Appendix 2 to this report provides further details.

6. Considerations:

6.1 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 CRR.

6.2 It is essential that TfN and its programme teams recognise, understand, and manage the risks that could negatively impact on its ability to achieve its objectives and priorities.

6.3 This report provides the Committee with an update on the organisational risks and issues relating to the business KPIs/objectives which can be found in the CRR.

7. Corporate Considerations:

7.1 *Financial Implications*

The financial implications are detailed within individual risks where applicable.

7.2 *Resource Implications*

The resource implications are detailed within individual risks where applicable.

7.3 *Legal Implications*

The legal implications are detailed within individual risks where applicable.

7.4 *Risk Management and Key Issues*

The Corporate Risk Register is part of this report.

7.5 *Environmental Implications*

A full impact assessment has not been carried out because it is not required for this report.

7.6 *Equality and Diversity*

A full impact assessment has not been carried out because it is not required for this report.

7.7 *Consultations*

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

8. Background Papers:

8.1 The CRR presented as a standing item at each Audit & Governance Committee provides the background papers and context for this report

9. Appendices:

9.1 Item 4.1 Corporate Risk Register Nov 2022

9.2 Item 4.2 EVCI Risk Deep Dive

9.3 Item 4.3 EVCI Project Background

Glossary of terms, abbreviations and acronyms used	
a) CRR	<i>Corporate Risk Register</i>
b) KPI's	<i>Key Performance Indicators</i>
c) STP	<i>Strategic Transport Plan</i>
d) RMS	<i>Risk Management Strategy</i>
e) EVCI	<i>Electric Charging Vehicle Infrastructure</i>