

Item 10.1

Transport for the North

Draft Corporate Risk Register

Financial Year 2020/21

Updated: 03.06.2020



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 2020/21 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 either a monthly or fortnightly cycle, with clear reporting in line with governance arrangements. At the apex of these arrangements is the annual reporting of the corporate level risks to TfN Board.

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 the 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.

This 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 reports provides full risk information such as the proximity of the risk, potential consequences on TfN's objectives and priorities and the mitigation measures in place to manage the downside risks.

Table 1 summarises TfN's corporate level risks and the senior owner. **Table 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. **Table 3** provides a guideline in regard to the assessment of TfN's level of control on the proposed mitigation risk plans. **Table 4** provides a detailed analysis of each risk, the mitigating actions that have been adopted and the mitigation level of controllability as it is important to understand the extent to which TfN is able to influence or control the risk outcomes.

Table 1: Summary of TfN's Corporate Risk Themes, Probability / Impact Assessments and Ownerships

Corporate Risk Theme	Risk Probability	Nature of Risk Impact	Current Risk Impact	Post Mitigation Risk Impact	Risk Mitigation Strategy Owner
The Covid-19 Pandemic prevents or delays TfN from delivering its objectives	An Issue	<ul style="list-style-type: none"> Business deliverables may not be completed on time if: (i) a significant number of staff within TfN or its supply chain are affected by COVID-19 (ii) TfN decision making / governance processes are impacted by the availability of Constituent Authority or departmental colleagues (iii) Covid-19 related uncertainty causes wider policy announcements to be delayed. There is the potential for additional costs to be incurred through the measures that might be put in place to address the issues caused by Covid-19. 	High	Medium	Operating Board Members (OBT) and Heads of Services
TfN Reputational and Political Engagement	Medium	<ul style="list-style-type: none"> Difficulty in gaining access to funding. Delays/prevents the benefits of strategic transport infrastructure being delivered. Relationship and reputation impact. 	High	Medium	Business Capabilities Director / Finance Director (Dawn Madin / Iain Craven)
Embedding the Strategic Transport Plan across Programmes (STP)	Low	<ul style="list-style-type: none"> Misalignment of Programme Objectives. It is likely to create siloed working culture causing business issues. Possible failure to deliver projects, thus affecting the delivery of benefits set out in the STP. 	High	Medium	Strategy and Programme Director (David Hughes)

Corporate Risk Theme	Risk Probability	Nature of Risk Impact	Current Risk Impact	Post Mitigation Risk Impact	Risk Mitigation Strategy Owner
Delivery of Robust and Compelling Evidence to Support Investment Programmes	High	<ul style="list-style-type: none"> 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 an organisation who's key objective is to take a leadership role in delivering innovative business cases to secure investments. 	High	Medium	Strategy and Programme Director / TfN Programme Directors (David Hughes / Tim Wood, Peter Molyneux, David Hoggarth, IST Programme Director)
Transport Decarbonisation and Climate Change Emergencies	Medium	<ul style="list-style-type: none"> Misalignment of ambitions/targets between TfN members and partners and/or failure to develop relevant policy positions adversely impacts on TfN credibility and influence as a Sub-National Transport Body. Failure to develop relevant policy positions adversely impacts on TfN credibility and influence as a Sub-National Transport Body. 	High	Medium	Strategy and Programme Director (David Hughes)
TfN Operations	Medium	<ul style="list-style-type: none"> TfN might have insufficient funding to meet its aspirations. Prevents TfN from delivering its commitments Failure to recruit and retain the right skills could impact TfN's ability to deliver. 	High	Medium	Finance Director / Business Capabilities Director (Iain Craven / Dawn Madin)
TfN Compliance with Relevant	Low	<ul style="list-style-type: none"> Potential reputational impacts with both stakeholders and the public. Financial impact including fines or other penalties for breach of statutory obligations 	High	Medium	Business Capabilities

Corporate Risk Theme	Risk Probability	Nature of Risk Impact	Current Risk Impact	Post Mitigation Risk Impact	Risk Mitigation Strategy Owner
Laws and Regulations		<p>such as Data Protection, Freedom of Information or Health and Safety legislation.</p> <ul style="list-style-type: none"> The ICO may issue a decision notice or the HSE may issue an enforcement notice if it found that TfN was in breach of the legislation. 			<p>Director / Head of Legal Services</p> <p>(Dawn Madin / Julie Openshaw)</p>
Revised Framework - Delivery of Contactless on Rail and Local Smart Ticketing	Medium	<ul style="list-style-type: none"> Possible non-delivery of full customer benefits for the North. Reputation impact to the programme and the business. 	Very High	Very High	<p>IST Programme Director</p> <p>(Steve Howes)</p>
The Northern Powerhouse Rail (NPR) Strategic Outline Case (SOC)	Medium	<ul style="list-style-type: none"> Failure to achieve agreed corridor options from the sifting process is likely to result in delays to the SOC beyond the movements in the programme already communicated (i.e. the SOC to be approved in March 2021). If TfN is unable to submit and receive endorsement for the SOC, it may impact on future funding as Government would not want to approve the SOC without TfN Board endorsement. 	Very High	High	<p>NPR Programme Director</p> <p>(Tim Wood)</p>
Rail Operations (Franchise Management and Investment)	Very High	<p>Passenger volumes reduced due to social distancing measures and government guidance leads to nervousness in passengers returning to pre-COVID levels leading to reduced case for investment.</p>	Very High	Very High	<p>Strategic Rail Programme Director</p> <p>(David Hoggarth)</p>

Table 2: Transport for the North's Probability Impact Scoring Criteria

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.

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.

Rating Number	Probability (%)	Rating	Impact Rating Definition
5	100% likelihood that the risk will materialise	An Issue	One or more of the implications will have an effect on business plan objectives.
4	81-100	Very High	<ul style="list-style-type: none"> • Financial Implication: £>2m • Schedule Implication: > 12 (months) • National long-term negative media coverage, significant loss of trust and credibility • Severe relationship issues with partners and/or third parties (such as Local Authorities, public)
3	51-80	High	<ul style="list-style-type: none"> • Financial Implication: £1m - £2m • Schedule Implication: 9 - 12 (months) • National short-term negative media coverage • There is evidence of relationship issues with partners/or and third parties (such as Local Authorities, public)
2	21-50	Medium	<ul style="list-style-type: none"> • Financial Implication: £500K - £1m • Schedule Implication: 3 - 9 (months) • Local media damage • No or minor strained relationship with partners and/or third parties (such as Local Authorities, public)
1	< = 20	Low	<ul style="list-style-type: none"> • Financial Implication: £0 - £500K • Schedule / Time delay Implication: 0 - 3 (months) • Local media attention quickly remedied • No strain relationship with partners and/or third parties (such as Local Authorities, public)

Table 3: Qualitative Assessment of the Levels of Controllability on the Mitigation Action Plans

In order to assist the user 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 mitigation risk action plans and the extent to which TfN is able to influence or control those risk outcomes.

The following corporate risks have been subject to an evaluation by identifying the:

- **Controllable Mitigations:** these are mitigation strategies that TfN has the power / ability to implement and as a result, contribute to the successful mitigation of the associated risk.
- **Dependency Mitigations (Controllable):** The identified mitigations require a collaborative effort with relevant partners or other stakeholders in order to be successful in the management of the action plans. Although, the mitigations are deemed as dependency, TfN may be able to deploy additional resources to increase its ability to influence risk outcomes.
- **Dependency Mitigations (Limited Control):** The identified mitigations must be a collaboration with the relevant internal and external parties and requires a buy-in. For example, national and local political buy-in. 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/how these mitigations are implemented.

Guideline: Level of Mitigation Controllability

Mitigation Control Level	Mitigation Control Level Assessment
Controllable Mitigations	High
Dependency Mitigations (Controllable)	Medium
Dependency Mitigations (Limited Control)	Low

Table 4: Qualitative Risk Analysis of TfN's Corporate Level Risks

Risk ID: TCR01 Risk: The COVID-19 Pandemic Prevents or Delays TfN from Delivering its Objectives	
Risk Description	<p>The coronavirus pandemic is a threat that is directly impacting upon the delivery of TfN's programmes and Business Plan Key Performance Indicators (KPIs). The lock down and associated measures to prevent the disease from spreading have resulted in homeworking across the entire organisation (as well as the country as a whole including significant supply chains). This has created four key risks for Transport for the North (TfN) business operations:</p> <ol style="list-style-type: none"> 1) A significant number of staff within TfN or its supply chain might be affected by the coronavirus, or by steps taken by suppliers to respond to the economic pressures caused by the pandemic; 2) TfN decision making / governance processes might be impacted by the availability of Constituent Authority or departmental colleagues; 3) The COVID-19 related uncertainty causes wider policy announcements to be delayed; and 4) The pandemic reduces the efficiency with which certain activities can be delivered and therefore increases the costs associated with delivering them.
Risk Proximity	Short-Term to Medium-Term
Risk Probability	(1) Medium (2) High (3) An Issue (4) Medium
Assessed Risk Impact	(1) High (2) High (3) High (3) Medium
Potential Impact (Qualitative Description)	<ul style="list-style-type: none"> • TfN's key programme and business deliverables may not be completed on time if the number of staff affected by the COVID-19 is significant. • In addition, TfN's ability to take forward its programmes will be affected if partner officers and other stakeholders are unable to fully engage in Client Reference groups and other TfN governance processes. • Impacts on central government decision-making in key areas such as the Integrated Rail Plan, the Environment Bill, the Williams Review and the CSR will also impact upon TfN's ability to drive programmes.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	Organisational and Individual Directorate Contingency Plans have been developed and are now in place. These are further underpinned by TfN Corporate Business Continuity Plan (BCP). This includes identification of a core Crisis Management Team to coordinate all business-critical activities should these plans need to be instigated, and to maintain effective communication with employees.	High	Controllable Mitigations
2	Programme and policy teams to identify and focus on the critical organisational outputs and deploy the available resources in the achievement of those priorities.	High	Controllable Mitigations
3	Programme teams continue to realistically re-programme delivery plans and communicate changes to partners; continue to work with consultants and partners and where possible provide support.	High	Dependency Mitigations (controllable)
4	To continue to deliver the TfN Business Plan where possible so as to minimize delays in delivering outputs and allow activity to be expedited once policy decisions by central Government have been communicated.	High	Dependency Mitigations (Limited Control)

Corporate Risk and Mitigation Owners	Risk Owner (OBT Members) - Corporate BCP & COVID-19 Contingency Plan Mitigation Ownership (Heads of Services) – Departmental Contingency Plans
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Risk ID: TCR02**Risk Theme: Transport for the North's Reputational and Political Engagement**

Risk Description	<p>Given the range of priorities facing central government, local partners, and other stakeholders, including the challenges of the COVID-19 pandemic there is a risk that:</p> <p>(1) There is a lack of clarity with regard to the function of, and the funding arrangements for, Sub-national Transport Bodies which prevents the organisation from fulfilling its objectives and delivering its programme of works.</p> <p>(2) There is a mismatch between the expectations placed upon TfN and its ability to influence events / decisions in the short to medium term that is not aligned to the formal powers that have been granted.</p> <p>(3) TfN's funding arrangements leave it unable to act in a way that delivers the aspirations of its members.</p>
Risk Proximity	Short to Medium term
Risk Probability	(1) Medium (2) Medium (3) Medium
Assessed Risk Impact	(1) Medium (2) Medium (3) High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• Inadequate funding for core functions or programmes may make it difficult for TfN to "speak with one voice", influence decisions, or access infrastructure funding.• Failure to make timely decisions with regard to projects and programmes, and could delay or prevent 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".• TfN's funding arrangements prevent it from deploying resources to mirror northern priorities.

Mitigation Action Plans and Level of Controllability

In order to be successful, TfN requires continuous 'buy-in' at a high level from a number of stakeholders. The "One Voice" for the North approach is the key foundation upon which TfN's ability to influence government is built, and a central organisational objective. Activities include:

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	Through the Member Working Group, develop the Northern Transport Charter that sets out the aspirations of TfN's members regarding the development of the organisation, Use this work as the basis for the Spending Review submission at the appropriate time.	Medium	Dependency Mitigations (Controllable)
2	Continuous engagement with Members and constituent authorities at a political and officer level, stakeholders and partners, to continue to represent the 'one voice'.	Low	Dependency Mitigations (Limited Control)
3	Structured continual engagement with central government officials and decision-makers; and comprehensive communications and engagement programme plans are in place.	Medium	Dependency Mitigations (Controllable)
4	TfN focus on contributing to the recovery phase of the Covid-19 pandemic by using the work done to-date on the Strategic Development Corridors to inform its Economic Recovery Plan.	High	Controllable Mitigations
5	TfN to highlight where necessary the limits of its powers and when directed to seek to extend its influence for greater decision making.	Medium	Dependency Mitigations (Limited Control)
6	TfN's Business Plan and Budget clearly communicate funding restrictions and seeks to maximise the impact of the funding that it receives.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	Dawn Madin / Iain Craven
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Risk ID: TCR03**Risk Theme: Embedding the Strategic Transport Plan (STP) across Programmes**

Risk Description	The Strategic Transport Plan was adopted by TfN in February 2019. It sets out the “Why, What and How” of TfN’s approach to facilitating inclusive and sustainable transformational economic growth across the North. If TfN programmes (and research) are not aligned with the STP, it would prove difficult to contribute to the delivery of the STP. In addition, it could impact on the development of additional detailed policy positions resulting in sub-optimal outputs from investments when measured against TfN’s overarching objectives.
Risk Proximity	On-going
Risk Probability	Low
Assessed Risk Impact	High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• Programmes of work develop in a way that does not contribute to, or runs counter to, the overall objectives and plan set out in the STP, resulting in the failure to achieve the aims of the STP or leads to sub-optimal impacts from transport investments.• It is likely to create a siloed working culture causing business issues.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	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.	High	Controllable Mitigations
2	The Economic Recovery Plan for a post Covid-19 stimulus package, currently being prepared by TfN, is being developed from the Strategic Development Corridor work that formed a key element of the STP.	High	Controllable Mitigations
3	TfN's Business Plan process for 2020/2021 includes specific activity in relation to the co-ordination of TfN rail activity to assist with alignment of the STP. In addition, a wider planning exercise is also being undertaken across the strategy team to ensure effective monitoring of the delivery of the STP is taking place.	High	Controllable Mitigations
4	TfN is currently developing an assurance framework which will allow the organisation to evaluate and assure programmes and projects consistent with the vision of the STP.	High	Controllable Mitigations
5	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.	High	Controllable Mitigations

Corporate Risk and Mitigation Owner	David Hughes
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Risk ID: TCR04**Risk Theme: Delivery of Robust & Compelling Evidence to Support Investment**

Risk Description	<p>Some of TfN's existing modelling tools capture transformational change, but further improvements are required during 2020/21 to ensure robust evidence of economic transformation can be captured comprehensively throughout the Analytical Framework. The COVID-19 pandemic has affected the availability of key resources and impacted the delivery timescales of the 2020/21 planned improvements. As a result, there is a risk that TfN might be unable to make a timely, robust, credible, evidence-based case to support NPR and the wider Investment Programme. This risk could lead to either delays to the delivery of business cases or transformational benefits being discounted by decision makers due to a reduction in the quality and assurance rating of analysis. This could limit TfN's ability to deliver agreed outputs outlined in the Strategic Transport Plan (STP).</p>
Risk Proximity	Medium-Term
Risk Probability	High
Assessed Risk Impact	High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• 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 an organisation who's key objective is to take a leadership role in delivering innovative business cases to secure investments.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	An independent review has been commissioned to support TfN in setting priorities for TAME work and make recommendations to improve processes and ways of working.	Medium	Dependency Mitigations (Limited Control)
2	Programme timescales are being adjusted where it is sensible to make those adjustments without significantly impacting delivery against TfN's core objectives.	High	Controllable Mitigations
3	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.	Medium	Dependency Mitigations (Limited Control)
4	Added value work will be brought into programmes at a later date in the form of sensitivity analysis, ensuring that work undertaken to date can still provide value to TfN programmes.	High	Controllable Mitigations
5	The new TAME team structure and additional senior resources are being introduced with improved engagement with TfN programmes to ensure Analytical Framework development and application activities meet the needs of the programmes.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	David Hughes and Programme Directors
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Risk ID: TCR05**Risk Theme: Transport Decarbonisation and Climate Change Emergencies**

Risk Description	<p>The UK government has set a climate change ambition that the UK will have net zero greenhouse gas emissions by 2050, this is an ambitious target which moves from the previous government position of 80% reduction. Within the Strategic Transport Plan (STP), TfN has committed to develop a "Pathway 2050" which will outline how net zero emissions can be delivered within the North and the trajectory for change. The impact of the Covid-19 pandemic on the ability to deliver on these imperatives is not currently well understood.</p> <p>In order to deliver on this ambition, TfN needs to collaborate with partners and the government to identify a target and policies to accelerate carbon reductions from the transport sector. There is a risk that TfN falls behind in developing appropriate and timely policy positions to support decarbonisation of transport, and thereby fails to integrate them into its strategic transport development plans. This would potentially result in an investment programme that is misaligned to partner / central government policies.</p>
Risk Proximity	Short-Term
Risk Probability	Medium
Assessed Risk Impact	High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• Misalignment of ambitions /targets between TfN members and partners and/or failure to develop relevant policy positions adversely impacts on TfN credibility and influence as a Sub-National Transport Body.• Failure to develop relevant policy positions to address sustainability issues is likely to result in challenge from members, partners and DfT, and would adversely impact on our credibility and influence as a Sub-National Transport Body.• In the absence of an agreed policy framework with regard to decarbonisation and sustainability, TfN's programmes may not be adequately addressing decarbonisation and climate change issues. This would adversely impact upon TfN's ability to deliver successful business cases.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	To further develop the "Pathway 2050" by outlining specifically how TfN plans to deal with the climate emergencies in the transport field.	High	Controllable Mitigations
2	To recruit a dedicated and senior officer with responsibility for developing environmental policy, and to ensure the integration of this work into the development of TfN's transport strategies.	High	Controllable Mitigations
3	To ensure that the decarbonisation and broader sustainability / environmental policies that are developed by TfN are properly reflected in the Assurance Framework, and therefore appropriately weighted within TfN decision making processes.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	David Hughes
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Risk ID: TCR06**Risk Theme: Transport for the North's Business Operations**

Risk Description	<p>TfN is fully funded through the Department for Transport (DfT) but it is responsible for its own financial affairs. There is a requirement for the business to demonstrate Value for Money (VfM) to ensure the delivery of programmes are achieved efficiently and effectively. As a result, there is a risk of the failure to deliver programmes' outputs in a way that achieves VfM in TfN expenditure. Additionally, there is a risk that TfN has insufficient funding to support its operation and programmes after the end of 2020/21.</p> <p>In order to deliver the programmes efficiently and effectively, the 2019/20 business plan has outlined its continued ambition to recruit qualified and competent officers to support the success of the organisation's objectives. Therefore, there is a continued risk that TfN fails to attract and retain suitably qualified staff.</p>
Risk Proximity	On-going, but current Core and Programme Funding run out at the end of FY2020/21.
Risk Probability	Medium
Assessed Risk Impact	High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• TfN has insufficient funding from 2021/22 onwards, preventing it from delivering on the aspirations of its members.• Failure to achieve Value for Money could impact on TfN's ability to access funding in the future.• Failure to recruit and retain the right people with the right skills could negatively impact on TfN's ability to deliver its objectives.

Mitigation Action Plans and Level of Controllability on

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	To make a clear case for funding during the Spending Review based on the outcome of the Members Working Group activity and the Northern Transport Charter, supporting TfN operations and programmes.	Medium	Dependency Mitigations (Limited Control)
2	Clear and well documented processes and procedures to be in place. VfM and governance to be undertaken by both internal and external audits.	High	Controllable Mitigations
3	Commissioning processes include OBT sign-off of expenditure, and explicit approval for expenditure against a schedule of delegations.	High	Controllable Mitigations
4	Engagement with stakeholders to ensure the case for TfN's funding is supported by members, business and in Parliament.	High	Controllable Mitigations
5	TfN continues to hire suitable qualified officers in all senior positions, but also including critical programme and back office roles. There is on-going training and communication across the organisation.	High	Controllable Mitigations
6	A comprehensive People Strategy has been developed and in place covering reward, workforce/skills planning, succession planning, recruitment and selection, talent and performance management.	High	Controllable Mitigations
7	A leadership programme is planned to be developed and delivered in FY 2020/21 to further support the leadership capability within the organisation.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	Iain Craven / Dawn Madin
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Risk ID: TCR07**Risk Theme: Compliance with the Relevant Laws and Regulations**

Risk Description	Transport for the North is a statutory body with statutory powers and duties. There is a risk that in carrying out its functions TfN fails to be compliant with the relevant laws and regulations.
Risk Proximity	On-going
Risk Probability	Low
Assessed Risk Impact	Financial (High) , Reputation (High)
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• If TfN fails to adhere to relevant legislation, there could be reputational impacts with both stakeholders and the public which may impact its ability to meet its objectives.• There is a potential financial impact including fines or other penalties for breach of statutory obligations such as Data Protection, Freedom of Information or Health and Safety legislation.• The ICO may issue a decision notice or the HSE may issue an enforcement notice if it found that TfN was in breach of the 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 Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	TfN has suitably qualified officers in all senior positions, particularly the HoPS, S151 and Monitoring officer. In addition, TfN has employed an in-house legal team.	High	Controllable Mitigations
2	TfN ensures there are clear and well documented processes and procedures in place.	High	Controllable Mitigations
3	Ongoing training on laws and legislations and communication across the organisation.	High	Controllable Mitigations
4	To ensure that there is continuous legal review to TfN's Boards and Committees.	High	Controllable Mitigations
5	TfN employs in house legal and procurement specialists and regularly procures external legal advice on commissioning and procurement.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	Dawn Madin / Julie Openshaw
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Risk ID: TCR08**Risk Theme: Revised Framework - Delivery of Contactless on Rail and Local Smart Ticketing**

Risk Description	<p>There is a risk that the delay to publishing the Williams Review, and the impact of COVID-19 may result in Phase 3 (Contactless on Rail) being delayed.</p> <p>In addition, there is a risk that TfN's proposals to mitigate the failure of the major bus operators to engage with its ABBOT proposals – namely the proposal to provide support to local schemes – may be unable to secure approval from DfT for the Strategic Outline Case that is currently being finalised.</p>
Risk Proximity	Short-Term
Risk Probability	High
Assessed Risk Impact	Very High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• Failure to roll out Contactless on Rail across the North, or to support local schemes is likely to result in failure to deliver even part of TfN's multi-operator, multi-mode ticketing aspirations and consequential low levels of customer satisfaction.• This may lead to a reputational damage as it is likely that TfN's strategic objectives will not be met.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	To ensure there is early engagement with DfT and HMT to agree the role of TfN in bringing Account Based Ticketing forward as a pathfinder and agree funding.	Medium	Dependency Mitigations (Limited Control)
2	To agree with DfT the on-going input of TfN's intellectual capital and learning into the national Contactless on Rail scheme to support value for money and the pace of delivery.	Medium	Dependency Mitigations (Limited Control)
3	To continue the discussions with DfT to maximise the impact of the SOC. In addition, there is a requirement to agree TfN's funding role, responsibilities and accountabilities with DfT and HMT in order to inform consultations with LTAs in the north.	Medium	Dependency Mitigations (Limited Control)
4	To ensure there is sufficient engagement with the LTAs to agree on the schemes to be put forward to Treasury for funding. This will take place once the initial funding discussions with DfT have started.	High	Controllable Mitigations

Corporate Risk and Mitigation Owners	Steve Howes
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Risk Description	<p>Northern Powerhouse Rail is a high-profile programme that involves Northern partners, DfT, NR and HS2. TfN is due to submit a Strategic Outline Business Case (SOC) for NPR, which includes reduced options from that at SOBC, phasing scenarios and a preferred NPR network. To support SOC submission and approval by TFN Board, TfN must secure partner endorsement of a maximum of four (4) phasing scenarios for the SOC, agreement to sifting outputs and collective agreement to a preferred network. If these agreements cannot be reached, it is likely to cause a delay in finalising the SOC and achieve endorsement by TfN Board.</p> <p>This risk has been heightened by the business effects of the coronavirus pandemic, the need to resolve issues for Stourton and Piccadilly and potential challenges in relation to decision making on the corridor sifting process and the considerable amount of work remaining to support and make the case for the Strategic Outline Case.</p> <p>Finally, there is a risk that the outcome of Integrated Rail Plan (IRP) could impact the SOC as well as the next stage of the NPR programme sequence of delivery and in particular Outline Business Case (OBC). Therefore, uncertainty around IRP outcomes presents a significant risk to the programme. Clarity on the Government's intentions is unlikely prior to the autumn at the earliest. There is currently uncertainty regarding TfN's funding allocation beyond that date.</p>
Risk Proximity	Short to Medium term
Risk Probability	Medium
Assessed Risk Impact	Very High
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• Failure to achieve agreed corridor options from the sifting process is likely to result in delays to the SOC beyond the movements in the programme already communicated (ie the SOC to be approved in March 2021).• If TfN is unable to submit and receive endorsement for the SOC, it may impact on future funding as Government would not want to approve the SOC without TfN Board endorsement.• The outcome of the IRP may influence the Northern Powerhouse Rail programme, the next sequence of delivery and the OBC.
Corporate Risk and Mitigation Owner	Tim Wood (NPR) / David Hughes (IRP)

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	The programme team continues to work on the development of the phasing criteria set out in the Management Case. These include the powers, constructability, affordability and benefits realisation.	High	Controllable Mitigations
2	In constructing the roadmap, to include review and input by DfT as co-client, partners and delivery partners.	Medium	Dependency Mitigations (Limited Control)
3	The approach to the Sifting workshops has been developed and discussed with partners.	Medium	Dependency Mitigations (Limited Control)
4	The Co-clients are currently undertaking a review of both NPR benefits realisation and current costings to further assure the current BCRs.	Medium	Controllable Mitigations
5	TfN has set up a working group to develop its response to the Integrated Rail Plan and ensure that that is effectively communicated to members, partners, stakeholders and government, and that interfaces and interdependencies between IRP and NPR (including SOC) are closely managed.	Medium	Dependency Mitigations (Limited Control)
6	TfN has set up a working group to develop its response to the Integrated Rail Plan and ensure that that is effectively communicated to members, partners, stakeholders and government, and that interfaces and interdependencies between IRP and NPR (including SOC) are closely managed.	Medium	Dependency Mitigations (Limited Control)

Corporate Risk and Mitigation Owner	Tim Wood (NPR) / David Hughes (IRP)
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Risk ID: TCR10**Risk Theme: Rail Operations (Franchise Management and Investment)**

Risk Description	<p>The impact of the coronavirus pandemic, combined with social distancing guidance and the government's advice to discourage travel via public transport during lockdown, is likely to lead to future suppressed demand as passenger behaviour moves to private vehicles and active travel. The demand may take many years to recover to previous levels which leads to the following risks:</p> <ul style="list-style-type: none">(1) There is a risk that the passenger enhancements (such as the completion of new train programmes and additional services) might be delayed as driver training remains suspended and train manufacturers are impacted.(2) There is a risk that future schemes could be less viable as they have to be assessed against lower demand forecasts.
Risk Proximity	Short, Medium and Long-term.
Risk Probability	Very High
Assessed Risk Impact	Very High <p>The post-mitigation risk assessment is rated Very High (VH) following the adoption of the identified mitigations. This is the same rating as the current risk assessment as TfN does not have the full range of levers within its current powers and responsibilities to implement the mitigations i.e. in order to effectively carry out the mitigations. The avoidance and reduction of the assessed impacts are contingent on partners and members taking further actions.</p>
Potential Impact (Qualitative Description)	<ul style="list-style-type: none">• If there is a delay in investment and delayed rolling stock, passenger frustration will continue to be frustrated and experience poor quality services. Severe adverse reputational impact and pressure from partners.• Less investment in services and infrastructure as a result of weaker business cases.

Mitigation Action Plans and Level of Controllability

Mitigation No.	Mitigation Strategies / Action Plans	Mitigation Control Level Assessment	Mitigation Control Level
1	To continue to use our influence in the monthly Rail North Partnership Board, Rail North Committee and North of England Contingency Group to shape the re-introduction of services, new rolling stock and infrastructure developments and re-build passenger confidence.	Medium	Dependency Mitigations (Limited Control)
2	To continue with the close working relationship and communication with TfN member authorities on deliverables and risks - feeding back information through TfN governance structures.	Medium	Dependency Mitigations (Limited Control)
3	To continue to track train service performance and delivery via regular reporting dashboards.	Medium	Dependency Mitigations (Limited Control)
4	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.	Medium	Dependency Mitigations (Limited Control)
5	To implement Blake Jones action plan to provide greater focus on passengers and ensure transparency with members as the COVID19 restrictions ease.	Medium	Dependency Mitigations (Limited Control)

Corporate Risk and Mitigation Owner	David Hoggarth
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