

Corporate Risk Update

Combined Authority risk appetite levels

	Low ↔ High Appetite					
	1	2	3	4	5	
Legal Compliance and Regulation	1					This is something for which the Combined Authority has no appetite for and expects minimal exposure to risk. Where it relates to a service which must be provided, significant controls must be in place.
Safety and Security	1					
Finance and Resources		2				There is a preference for what are deemed to be 'safe' options where there is a reduced degree of risk. Good controls are expected to be in place where risk remains.
Reputational		2				
Environmental		2				
Service Delivery and Operational			3			The Combined Authority accepts a level of risk may remain in the delivery of services in pursuit of our corporate priorities. The chosen option must present a healthy level of reward in relation to the risk faced.
Transformational Change				4		This is an area in which the Combined Authority has an increased appetite for risk. More uncertainty can be tolerated in seeking opportunities for improvement, commercialisation or innovation.
Development and Regeneration				4		

Corporate risk summary

			Probability	Impact	Mitigation summary
Very high X5	CRR - SD1	There is a risk that we fail to fully deliver projects and programmes (i.e. Growth Deal) within timescales or budget, or with the anticipated level of benefits, due to over-optimistic profiles, capacity within District partners and recruitment and retention challenges.	Possible 3	Critical 5	<ul style="list-style-type: none"> • Significant monitoring and controls in place through PMO • Continuing support through 'District Pool' project resource • Call for projects to ensure healthy pipeline of projects/ programmes • Ongoing Review of WY+TF portfolio with Chief Highways Officers
	CRR - SD2	There is a risk that there are challenges and disruption to the way in which the Combined Authority provides services and the resources available to deliver those, due to uncertainty surrounding the UK's future relationship with the EU.	Possible 3	Critical 5	<ul style="list-style-type: none"> • Brexit working group in place with Director representation and links to West Yorkshire Resilience Forum • Ongoing liaison with Bus Operators for reassurance on preparation for fuel or labour shortages • Communications and media campaign has increased to focus on effective signposting and support • Monitoring of legislative developments • Additional grant funding available to support local businesses • Secured additional resources, and refocussed existing ones, to support more businesses to prepare for Brexit and to gain a better understanding of impacts/opportunities on the economy. • Identifying any projects which may be vulnerable to shortages in skilled labour or supply chain disruption
	CRR - SD5	There is a risk that there will be a major impact on achievement of organisational objectives and/or a need to reconsider objectives and divert resources, due to a major unanticipated change in national policy (Brexit; major change in govt policy).	Possible 3	Critical 5	<ul style="list-style-type: none"> • Continued dialogue with Government • Policy and Strategy directorate continuing to monitor emerging national trends • Continued work with local LEPs and Combined Authorities
	CRR - SD6	There is a risk that key corporate objectives cannot be met due to the long term impacts of the COVID-19 pandemic on the regional economy and on travel habits.	Possible 3	Critical 5	<ul style="list-style-type: none"> • Research and Intelligence team modelling potential impacts and long term scenarios • Working closely with partners and representative groups to identify possible long term impacts and develop joint responses • Updating business plans to identify key areas for re-prioritisation
	CRR - FR3	There is a risk that the medium to long term financial health of the Combined Authority will be adversely affected due to the financial impacts of the COVID-19 pandemic	Possible 3	Critical 5	<ul style="list-style-type: none"> • Financial scenario undertaken and being continually updated • Continued liaison with Government to understand funding opportunities • Budget Working Group meeting to oversee response

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	CRR-DR1	There is a risk that a major contractor/supplier/recipient of Combined Authority funding encounters significant financial difficulties, or enters administration or liquidation, and are therefore unable to deliver agreed projects, due to current uncertainties within the construction industry.	Possible 3	Serious 4	<ul style="list-style-type: none">Contractual KPIs & penalty clausesAgreed escalation routes in contractsAbility to de-scope via change requests with partner buy-inEmbed security measures into as many contracts as possible e.g. bond, legal charge, priority in lending hierarchyRegular financial checks in place through Procurement & contract/loan monitoringExternal consultants procured to advise on future investment strategy/due diligence processes for more commercial deals
	CRR-FR2	There is a risk that there is insufficient floorspace to generate projected business rates income, due to challenges in bringing forward Enterprise Zone sites within Growth Deal funding and occupier incentive timescales.	Possible 3	Serious 4	<ul style="list-style-type: none">Progress policy gap workstreams in parallel with DeliveryProgress detailed due diligence & potential funding/overage agreement negotiationsIdentify other potential land/property income streams for GD monies
	CRR-SS1	There is a risk that a major accident or injury occurs at a Combined Authority facility, due to the high volume of people and inherent operational risks present in a bus station, transport interchange or Combined Authority facility.	Unlikely 2	Critical 5	<ul style="list-style-type: none">Health and safety policies, procedures and processes in placeStaff trainingOngoing review of Health and Safety risksWorking with district emergency planning units to share knowledge and develop joint plansContinued working with police on preventative measuresBusiness Continuity and Disaster Management workshops taking place at corporate level
	CRR-DR2	There is a risk that significant travel disruption arises from the implementation of major transport investment programmes, due to their intrusive nature, and a lack of effective communication or co-ordination.	Possible 3	Serious 4	<ul style="list-style-type: none">Close working with programme sponsors on phasing out of constructionMitigating travel arrangementsCreation of a 'travel demand management plan' to inform and influence travel behavioursEconomic analysis taking place to further assess current situations and potential future risks
	CRR-SD3	There is a risk that there is a substantial reduction or alternation of services to customers, due to the business failure, sale, or substantial change in bus/rail providers.	Possible 3	Serious 4	<ul style="list-style-type: none">Close relationships with operators to obtain early warningsDialogue with DFT, TFNWork commissioned and in progress to consider future bus options
	CRR-SD7	There is a risk that frontline services and business as usual activities cannot be adequately provided due to staffing	Possible 3	Serious 4	<ul style="list-style-type: none">Staffing levels being monitored and individual circumstances being regularly reviewedAdditional staff trained and redeployed into frontline positionsProductivity being actively monitored

		availability issues as a result of the Covid pandemic			
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West Yorkshire Combined Authority Corporate Plan 2019/20: Results for April 2019 - March 2020			
Corporate Plan Commitment (We will)	Target	Apr 2019 - March 2020 YTTD results	Notes
Corporate Plan Key Performance Indicators			
Invest in services and projects worth £388 million to benefit local people and the economy	£398,000,000	Forecast: £289.1m	The underspend against our 2019/20 gross expenditure budget arose from the slower progress, than originally anticipated, in our investment programmes for transport infrastructure. This became evident during the year and led to a full review of the programme with our partner councils and resulted in a rebasing of transport projects from 2020/21 onwards
Support 3,000+ businesses	3000+	3301	
Invest £105 million of Growth Deal funding in major infrastructure schemes	£105,000,000	Forecast: £81.56m	Forecast spend for the year is now £81.56m, whilst this is below target for the year, funding will not be lost. Mitigating actions have been introduced to ensure spend in 2020/2021.
Enable 20 million passenger journeys per year	20,000,000		On track to deliver 15% of all social necessary journeys, which last year equated to 20 million passenger journeys. Awaiting YTD figures up to early March 2020, prior to Government lockdown response to COVID19.
Support 18,000 disadvantaged students	18,000	18,606	Final target achieved. Although this figure has been impacted with schools and colleges closing. The number of cancelled sessions would have added an additional 1000+.
Complete projects to warm 750 homes and make them more energy efficient	750	1041	Projects are continuing to progress well, with the majority of properties improved funded through Warm Homes or Energy Company Obligation.
Boosting productivity			
Support businesses in the City Region through the Brexit process and help them to manage the opportunities and challenges it may present	Ongoing throughout 2019/20		Action plan in place and some new/adapted products and services have been developed, including the recruitment of additional Growth Managers to engage with SME business base into 2020/2021
Support 3,025 businesses in our region to grow and become more productive (with 1,035 receiving intensive support)	3025 (1,035)	3301 (1393)	
Develop 5 new business support programmes to respond to the changing economy and business needs, including a scheme to support 60 firms to secure new investment	5	5	Three programmes in delivery focussed on business resilience, investment readiness and resource efficiency, with funding confirmed for two others focussed on innovation and strategic business planning.
Help 350 businesses to increase their overseas export activity	350	266	Given that there have been some significant international events this year that have impacted on our international activities, particularly the uncertainty caused by UKs exit from the EU and the protests in Hong Kong, it is not surprising that the figures for this KPI are slightly lower than expected. That said, the number of referrals made to other agencies including DIT, which are captured as part of this KPI are broadly in line with last year. We have not however seen the uplift that we had anticipated.
Maximise the opportunities created by Channel 4's HQ relocation by securing additional investment in the creative and digital sectors	Ongoing throughout 2019/20		We won the CIPR regional award for 'Outstanding contribution to the region' for the Be the spark Channel 4 campaign. #Grow created to support digital businesses with an existing presence in the Leeds City Region who are growing and creating new jobs, was launched at Halifax Digital Festival in September. This compliments the existing #Welcome, which supports digital businesses moving into the City Region. 19 campaigns met or exceeded their targets and objectives, but particular note should be given to the Transforming lives with Tech campaigns
Attract global investors to the region creating 1,700 jobs	1,700	1237	Reduction in project successes. FDI levels into the UK are 14% lower and business investment decisions are down due to Brexit uncertainty (There are less category A project enquiries)
Continue to deliver development projects for our Enterprise Zones	Ongoing throughout 2019/20	Ongoing	Works continue on site at Gain Lane, some small delays initially due to poor weather in early 2020, and now COVID19 supply chain issues. Works have started at South Kirkby (2.3.20) and an independent Monitoring Surveyor has been appointed to provide independent assessment of progress and claims submitted against eligible works. The CA are finalising heads of terms to acquire the freehold interest of the EZ in Langthwaite. This will allow for the public sector to take control of this site to ensure early de-risking and enabling works can be delivered directly with the available growth deal funding. Following the approval of further development funding at OBC, & working in partnership with Bradford Council, the CA have appointed a contractor to work alongside the public sector to deliver enabling works and a new highway/access point at Pary Lane EZ. Detailed designs and cost plans are being developed, an FBC+ is due to be submitted in July 2020 with (subject to approvals) works on site due to commence in summer 2020.
Enabling inclusive growth			
Embed inclusive growth principles in our business support programmes, including ensuring 75 per cent of jobs created in businesses receiving grants through our capital grants programme pay the Real Living Wage or above	75%	76%	
Develop an Inclusive Growth Strategic Framework for the City Region	By the end of 2019/20		Local Industrial Strategy (LIS) evidence-building, position development and consultation/engagement is complete. The draft has been revisited to reflect the confirmed geography and will also include commitments made as part of the devolution deal. Submission was originally delayed following delays in confirming geography, and EU Exit and Devolution impacting ability to engage with government on planned timescales. Submission now planned for summer 2020, but likely to be delayed again as government reviews economic strategy in the light of COVID19. SEF in development and will reflect devolution priorities, in tandem with LIS.
Deliver an enhanced model of employability, enterprise and careers education to disadvantaged young people	18,000	18,606	
Enable 1,000 businesses to engage with education and skills initiatives, with 800 supported to offer apprenticeships	1,000	1,350 (467)	The total business engagement annual target has been achieved. Four final AGE grants were awarded this month; the programme is now closed. The current flux in apprenticeship policy continues to make an impact in Q4 and Covid19 will have additional implications over the coming months and therefore impacting on achievement of this KPI.
Connect 5,277 homes and businesses in our City Region to super-fast broadband	5,277	5623	The project achieved its contractual end of Q4 2019/20 target of premises having access to superfast broadband (>30Mbps download), and it is on target for Q1 2020/21 despite impact of COVID19.
Provide accessible transport services for 5,000 people with personalised transport needs	5000 active passengers	4865 active passengers	Figures up to early March 2020, prior to Government lockdown response to COVID19 before vehicles were re-purposed to support COVID19 impact
Enable 40,000 young people to travel from home to school by coordinating services on behalf of our partner councils, with an investment of £3 million a year	40,000		Early indications show we are on track to achieve the targeted number of pupils and young people, up to early March 2020 prior to Government lockdown response to COVID19
Delivering 21st Century transport			
Invest £80 million from our Growth Deal in improvements to bus, road and rail travel	£60,000,000	Forecast: £45.66m	The forecast for the year is now £45.66m. Spend and forecast are low for the year but mitigating action is being taken to ensure improved spend in 2020/2021.
Continue developing the bus alliance with operators to deliver better and affordable services for passengers	100%	100%	Through the Bus Alliance we are delivering 'a Fare Deal for young people', a shared ticketing agreement for customers to use any operator regardless of ticket during times of adverse conditions, cleaner buses whereby almost 500 buses will have been converted to Euro VI, a customer charter to set common standards for customers across each operator, service standards for the core bus network across West Yorkshire and enabling Daysaver products to be purchased on the MCard app.
Develop plans to build new railway stations at Elland, Leeds Bradford Airport, White Rose and Thorpe Park, working closely with our partners and local communities	100%	Ongoing	The Outline Business Cases for Elland, White Rose and Leeds Bradford Airport Link have been approved by the Combined Authority and work is underway to progress the full business cases for each station. There have been continued delays with the 4th Outline Business Case for Thorpe Park due to design interfaces with Trans-Pennine Route Upgrade. The Planning application for White Rose was submitted in late 2019 with a determination date in March 2020.
Complete major new road schemes to reduce congestion on key commuter routes, including the Glasshoughton Southern Link Road and York Outer Ring Road	100%	Ongoing	Progress has been made by our Partners to deliver major new road schemes. The Glasshoughton Southern Link Road is due to be completed by Spring 2020. The East Leeds Orbital Road has completed Phase 1 and Phase 2 (design works) and the main work package, ELOR Phase 3, has been formally awarded. Phase 1 of the York Outer Ring Road completed in early 2019. There will be delays for future phases of the YORR scheme due to the need to deliver in tandem with the DfT funded dualing scheme.
Continue to influence regional and national transport investment programmes, attracting more investment to our region	Ongoing throughout 2019/20		Examples of successful bids include from the Highways Maintenance Challenge Fund, Access for All and £317m from Transforming Cities Fund.
Subject to delays resulting from the COVID19 pandemic, a new MCard smart phone app will be available for use by September 2020. This will help to accelerate the move away from cash, will reduce bus stop dwell times and will allow people to purchase MCard products without the need to obtain a smart card.	Ongoing throughout 2019/20		
Increase sales of MCard by 5 per cent, resulting in over £34 million worth of MCards being purchased over the year	£34,000,000	£31,560,652	The MCard product range continues to retain market share as a premium travel product. However, with the impact of Covid-19, the target levels of sales have not been achieved in 2019/20.
Supporting clean growth			
Enable 750 households to be warmer, save money and become more energy efficient through our Better Homes Yorkshire programme	750	1041	
Continue the delivery of seven flood prevention schemes to reduce the risk of flooding and protect communities and businesses supported by our Growth Deal	7	7	7 schemes are either complete or in delivery, one further scheme has been awarded funding for development costs, and a further scheme is expected to come forward during 2020/21
Provide sustainable travel advice to businesses, recruiting an additional 96 employer members to our Travel Plan Network	96	76	Due to resource issues in the team, this target was not achieved by 31 March 2020. However, recruitment is underway so it is expected that more businesses will be supported in 2021 when the team is back to full capacity.
Support a further 88 businesses to save money on their energy bills and use less water and waste through resource efficiency funding and advice	88	67	Delay to the commencement of the Resource Efficient Business Programme (REBz) has caused this target to not be achieved. However, there is a waiting list of businesses to complete an energy assessment and these commenced in April 2020. Further delays may be caused by the impact of COVID19.
Contribute to cleaner air by installing 88 ultra-low emission vehicle (ULEV) charging points for taxis with a goal of making 5.1 per cent of our region's taxis ULEV by 2020	88 ULEV charging points for taxis and making 5.1 per cent of our region's taxis ULEV by 2020	30 installations	30 sites are now live for the public, and a further 15 are awaiting power connections. Site work has stopped since the COVID19 restrictions commenced, but design and approvals work is continuing. OLEV has accepted that it is not possible to set a new funding deadline until the restrictions have been lifted.
Set out how we will work with our partners to achieve ambitious carbon reduction targets for the Leeds City Region, to become a net zero carbon city region by 2038 at the latest, with significant progress by 2030	Ongoing throughout 2019/20		The main strategy is to deliver the new net zero carbon target is the City Region's Energy Strategy and Delivery Plan. Of the 39 projects within the Delivery Plan, 20 are underway or completed, 13 are stalled and 6 are pending. Delivered work this year include: Science-based targets established in Q1, followed by extensive stakeholder engagement culminating in a series of sector workshops, the creation of the Climate Coalition and the setting of the target in early-July. Our corporate clean growth policy and action plan were endorsed by the CA in October. Held sessions with local authority partners to agree a series of collaborative climate emergency projects (and secured £100k to support this work). Commissioned a comprehensive emission reduction pathway study to support the work of the existing Energy Strategy (ES) and to determine how to meet the new net zero carbon 2030 and 2038 targets. This work is currently ongoing and expected to be completed by July 2020. Secured funding in commission a carbon impacts study to strengthen the Combined Authority's decision making in light of the climate emergency. Secured £6m to create REBz that will support SMEs identify and implement cost effective improvements in energy and resource efficiency. Set out our regional ambitions at the Northern Powerhouse's Energy and Clean Growth Conference (exhibitions and talks). Commissioned work to explore how we accelerate the roll out of energy efficiency programmes, building on the Better Homes Yorkshire programme. The Energy Accelerator is providing a range of project development support to 14 low carbon projects. A range of projects continue to be delivered through the Travel Plan Network and City Connect.
Begin detailed feasibility work on 10 projects within the new Energy Strategy and Delivery Plan that will enable us to meet our region's energy needs and generate clean, low carbon energy	10		Science-based targets established in Q1, followed by extensive stakeholder engagement culminating in a series of sector workshops, the creation of the Climate Coalition and the setting of the target in early-July. Our corporate clean growth policy and action plan were endorsed by the CA in October. Held sessions with local authority partners to agree a series of collaborative climate emergency projects (and secured £100k to support this work). Commissioned a comprehensive emission reduction pathway study to support the work of the existing Energy Strategy and to determine how to meet the new net zero carbon 2030 and 2038 targets. Secured funding to commission a carbon impacts study to strengthen the combined Authorities decision making in light of the climate emergency. Secured £6m to create REBz that will support SMEs identify and implement cost effective improvements in energy and resource efficiency. Set out our regional ambitions at the Northern Powerhouse's Energy and Clean Growth Conference (exhibitions and talks). The Energy Accelerator is working with 15 low carbon projects that will result in approx. 25000 tCO2 saved annually. Developing a domestic energy efficiency scaling up study. Better Homes Yorkshire has delivered energy efficiency improvements in over 1000 homes in 19/20.