

Appendix 5 – Corporate Risk Summary

Corporate risk summary

| | | Probability | Impact | Mitigation summary | |
|------------------|---------|--|---------------|--------------------|--|
| Very high | CRR-SD1 | <p>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 both the Combined Authority and District partners and recruitment and retention challenges.</p> | 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 • Ongoing Review of WY+TF portfolio with Chief Highways Officers |
| | CRR-SD2 | <p>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.</p> | Possible 3 | Critical 5 | <ul style="list-style-type: none"> • Organisation wide Brexit action plan in place • Ongoing liaison with Bus Operators for reassurance on preparation for fuel or labour shortages • Communications and media campaign focusing 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. • Continuing to monitor projects which may be vulnerable to shortages in skilled labour or supply chain disruption |
| | CRR-SD5 | <p>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).</p> | 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 | <p>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.</p> | 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 • Updated business plans to identify key areas for re-prioritisation |

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| | CRR – FR3 | There is a risk that the immediate, medium and 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 planning undertaken and being continually updated Continued liaison with Government to understand funding opportunities Budget Working Group meeting to oversee response |
| | CRR-SD8 | There is a risk that there will be a significant increase in unemployment across the region, due to the ongoing economic disruption caused by the COVID-19 crisis and the end of the national Job Retention Scheme (furlough) | Likely 4 | Serious 4 | <ul style="list-style-type: none"> Joint intelligence gathering on the employment impacts– including the demographic, sectoral and geographical impact Current programmes – particularly the Employment Hub and [re]boot – have been flexed to support redundant and furloughed workers Lobbying government for Combined Authorities to be resourced to support people into work and for a national job creation/wage subsidy scheme. Recovery Plan developed including a focus on creating employment and self-employment opportunities. |
| | CRR-FR4 | There is a risk that the Combined Authority is placed under pressure to fund the reinstatement of commercial bus services threatened with withdrawal, due to premature withdrawal of emergency government funding support | Possible 3 | Critical 5 | <ul style="list-style-type: none"> Continued liaison with Government on funding Close liaison with bus companies to identify cost neutral/effective solutions Review and adapt current mechanism to appraise social and commercial value of threatened services |
| | NEW | There is a risk that there could be a loss in continuity of core OPCC services due to the transfer of the function into the Combined Authority and the transfer of PCC powers to the Mayoral Combined Authority | Possible 3 | Critical 5 | <ul style="list-style-type: none"> The Combined Authority, the OPCC and West Yorkshire Police are working in partnership to ensure all necessary arrangements are in place for the smooth transfer of policing and crime powers to the MCA Significant work undertaken to identify possible business continuity risks arising from the OPCC transfer and mitigations plans in place to address these. |

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| High | 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 clauses Agreed escalation routes in contracts Ability to de-scope via change requests with partner buy-in Embed security measures into as many contracts as possible e.g. bond, legal charge, priority in lending hierarchy Regular financial checks in place through Procurement & contract/loan monitoring External 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 Delivery Progress detailed due diligence & potential funding/overage agreement negotiations Identify 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 place Staff training Ongoing review of Health and Safety risks Working with district emergency planning units to share knowledge and develop joint plans Continued working with police on preventative measures Business Continuity and Disaster Management workshops taking place at corporate level |
| | 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 warnings Dialogue with DFT, TFN Work 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 availability issues as a result of the Covid pandemic | Possible 3 | Serious 4 | <ul style="list-style-type: none"> Staffing levels being monitored and individual circumstances being regularly reviewed Additional staff trained and redeployed into frontline positions Productivity being actively monitored |
| | CRR-SS2 | There is a risk that a cyber security malware infection could infiltrate the organisation, due to the growth of cyber crime and organisation targeting which is increasing due to covid19 | Possible 3 | Serious 4 | <ul style="list-style-type: none"> Systems protected through firewalls Additional cyber security software in place Increased training for ICT staff Regular testing |

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| | CRR-SD11 | There is a risk that the corporate processes, systems and structures needed to support the MCA will not be in place by May 2021, due to the scale of work required within challenging timescales and the need to maintain business as usual activities. | Possible 3 | Serious 4 | <ul style="list-style-type: none"> Comprehensive resource mapping exercise taken place across the Corporate Services directorate, and action taken to address key pressure points Areas identified where consultancy support can be used to relieve pressure on staff |
| | NEW | There is a risk that the 6 May local and mayoral elections may be postponed, (having significant implications on the programme relating to cost, timescales and legal matters) due to the impact of the Covid-19 pandemic and the national lockdown measures that are currently in place. | Possible 3 | Serious 4 | <ul style="list-style-type: none"> Guidance issued from Cabinet Office setting out a delivery plan for the election and provides assurances it will take place on 6 May as planned. Letter from LCC to government seeking assurances on this issue. Close monitoring of the situation underway and contingency planning to ensure we are prepared for this scenario. High level programme impact assessment undertaken. |
| | NEW | There is a risk that the organisation is not fully prepared to exercise the new duties of the MCA once the Mayor comes into post, due to the limited timescales for the organisational preparations and the additional pressures caused by the Covid pandemic during the preparatory period | Unlikely 2 | Critical 5 | <ul style="list-style-type: none"> The MCA ready programme has been in place since March 2020 to proactively manage organisational preparations Programme includes projects to prepare the organisation's governance, processes, people and systems for the mayoral model. Significant work undertaken on preparations for the transfer of the OPCC to ensure the Mayoral duties in respect of policing and crime can be exercised Arrangements being put in place for decision-making relating to new Non-Mayoral Functions. Proposals on this to be considered by the Combined Authority in March Initial proposal approved by Combined Authority on 4 February for changes to the organisational structure to better support the mayoral model |