

Corporate risk update July 2022

Risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
<p>Due to significant rising inflation including construction and materials costs there is a risk that costs increase significantly across Combined Authority capital programmes and projects.</p>	<ul style="list-style-type: none"> Value engineer and therefore aim to keep costs within project allocations. If this is insufficient the second mitigation is then to look at the project scope to see if elements can be reduced while still continuing to maximise the benefits the scheme will bring. The third mitigation is to assess if schemes with their current scope continue to be fit for purpose given changes to priorities in recent years. This is being considered as part of the funding programme annual reviews over summer 2022. 	<p align="center">4 Likely</p>	<p align="center">4 Serious</p>	<p align="center">Very high</p>	<p align="center">NEW RISK</p>	<p align="center">Director, Delivery</p>
<p>Due to an internal failure of controls, protocols and systems or a malicious attack there is a risk that the CA falls victim to a cyber security breach</p>	<ul style="list-style-type: none"> Mandatory data protection and information governance training for staff Routine monitoring of suspicious e-mails and threat ICT security policy and Information Governance policies in place Cyber Essentials Plus Accreditation Implement Cyber treatment Plan as agreed with DLUHC plus project underway on digital security and information management Appointment of Technical Security Manager 	<p align="center">3 Possible</p>	<p align="center">5 Critical</p>	<p align="center">Very high</p>	<p align="center">↑</p>	<p align="center">Director of Corporate & Commercial Services</p>
<p>Due to the long-term impacts of the COVID-19 pandemic on the regional economy and on travel habits, there is a risk that key corporate objectives cannot be met</p>	<ul style="list-style-type: none"> Research and Intelligence continue to model potential impacts and long-term scenarios Working closely with partners and representative groups to identify possible long-term impacts and develop joint responses Business plans revised for 2022/23 and corporate objectives updated to reflect changing organisational and external environment. 	<p align="center">3 Possible</p>	<p align="center">5 Critical</p>	<p align="center">Very high</p>	<p align="center">↔</p>	<p align="center">Managing Director</p>
<p>Due to the financial impacts of the COVID-19 pandemic, there is a risk that the medium to long term financial health of the Combined Authority will be adversely affected</p>	<ul style="list-style-type: none"> Financial scenario modelling undertaken and being continually updated Continued liaison with Government to understand funding opportunities Finance, Resources and Corporate Committee to oversee response 	<p align="center">3 Possible</p>	<p align="center">5 Critical</p>	<p align="center">Very high</p>	<p align="center">↔</p>	<p align="center">Managing Director</p>
<p>Due to over-optimistic profiles, capacity and recruitment and retention challenges, there is a risk that the Combined Authority fails to directly deliver projects funded through fixed capital funding programmes, within the stipulated timescales or budget, or with the anticipated level of benefits</p>	<ul style="list-style-type: none"> Significant monitoring and controls in place through Assurance Process Challenge on delivery profiles of individual schemes through Assurance Framework Ongoing work to widen the advertising reach for vacancies Annual review of WY+TF and TCF portfolio with district partners underway 	<p align="center">3 Possible</p>	<p align="center">5 Critical</p>	<p align="center">Very high</p>	<p align="center">↑</p>	<p align="center">Director of Delivery</p>
<p>Due to the negotiations on revised terms and conditions not being accepted by the trade union there is a risk of industrial action and reputational damage</p>	<ul style="list-style-type: none"> Further consideration of the proposals, further engagement with Unison and staff 	<p align="center">3 Possible</p>	<p align="center">4 Serious</p>	<p align="center">High</p>	<p align="center">NEW RISK</p>	<p align="center">Head of HR</p>
<p>Due to rising national inflation, there is a risk that the Combined Authority's costs, including energy will rise significantly.</p>	<ul style="list-style-type: none"> Energy reduction measures designed in to building refurbishments Reforecast of budget to quantify scale of risk across all areas of expenditure to allow decisions to manage this to be taken in good time 	<p align="center">4 Likely</p>	<p align="center">3 Moderate</p>	<p align="center">High</p>	<p align="center">NEW RISK</p>	<p align="center">Director, Corporate and Commercial Services</p>
<p>Due to over-optimistic profiles, capacity and recruitment and retention challenges, there is a risk that our</p>	<ul style="list-style-type: none"> Significant monitoring and controls in place through Assurance Process 	<p align="center">3 Possible</p>	<p align="center">4 Serious</p>	<p align="center">High</p>	<p align="center">↔</p>	<p align="center">Director of Delivery</p>

Risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
District partners fail to fully deliver projects funded through fixed capital funding programmes, within the stipulated timescales or budget, or with the anticipated level of benefits	<ul style="list-style-type: none"> Continuing to provide support to districts through secondment of projects/programme staff Challenge on delivery profiles of individual schemes through Assurance Framework 					
Due to challenges in bringing forward Enterprise Zone sites within Growth Deal funding and occupier incentive timescales, there is a risk that there is insufficient floorspace to generate projected business rates income.	<ul style="list-style-type: none"> Prudent level of income forecasting included within budget projections Head of Investment & Development role to oversee EZ strategy Cross-directorate approach established to link into broader funding opportunities and to maximise Inward Investment reach. 	3 Possible	4 Serious	High	↔	Director of Economic Services
Due to the high volume of people and inherent operational risks present in a bus station, transport interchange or CA facility, there is a risk that a major accident or injury occurs at a CA facility	<ul style="list-style-type: none"> Health and safety policies, procedures and processes in place Ongoing staff training Continual monitoring of Health and Safety risks Working with district emergency planning units to share knowledge and develop joint plans 	2 Unlikely	5 Critical	High	↔	Director of Transport & Property Services
Due to the significant amount of change within the organisation and associated increasing workload pressures, there is a risk that staff wellbeing is adversely affected.	<ul style="list-style-type: none"> Significant activity in place to promote wellbeing and signpost staff to support Specific support services in place including EAP and Mental Health First Aiders Capacity issues being identified and monitored through Senior Leadership Team and ODs being implemented where required 	3 Possible	4 Serious	High	↔	Managing Director
Due to the need to improve recruitment processes and reach, and current market buoyancy, there is a risk that the CA is not able to fill vacant roles or attract a suitably diverse and skilled workforce, ultimately impacting on the ability to meet corporate objectives.	<ul style="list-style-type: none"> HR Advisor to lead recruitment & diversity activity in post Interim improvements to advertising of vacancies put in place 	3 Possible	4 Serious	High	↔	Director of Corporate & Commercial Services
Due to the business failure, sale, or substantial change in bus/rail providers, there is a risk that there is a substantial reduction or alternation of services to customers.	<ul style="list-style-type: none"> Close relationships with operators to obtain early warnings Continued dialogue with DFT, TFN Work in progress on potential scenarios 	3 Possible	4 Serious	High	↔	Director of Transport & Property Services
Due to a major unanticipated change in national policy, or an unplanned response to a national emergency situation, there is a risk that organisational objectives cannot be achieved as anticipated and/or there is a need to divert resources	<ul style="list-style-type: none"> Continued dialogue with Government Policy and Strategy directorate continuing to monitor emerging national trends 	2 Unlikely	5 Critical	High	↔	Managing Director
Due to uncertainty surrounding the availability and timing of future funding streams, there is a risk that some key economic support services will cease and the knowledge and expertise we have developed to deliver them will be lost.	<ul style="list-style-type: none"> Continuing to liaise with Government on clarity over funding through UK Shared Prosperity Fund, Levelling-Up Fund Funding sources being considered through annual budget setting process 	3 Possible	4 Serious	High	↔	Director of Economic Services
Due to the role of the organisation broadening under the MCA model, there is a risk that the organisation's processes, systems and structures are insufficient to adequately support the organisation in achieving its objectives.	<ul style="list-style-type: none"> MCA Change Programme now concluded which included significant projects to update systems and processes. MCA Digital programme in delivery to further improve ICT infrastructure and tools. Integrated Corporate Systems project in delivery to modernise the organisation's HR/Finance systems. Corporate objectives have been revised to reflect the organisation's broadened scope and directorate business plans have been designed around these to ensure delivery. 	3 Possible	3 Moderate	Medium	↔	Director of Corporate & Commercial Services
Due to the increased breadth and volume of activities for the organisation under the MCA model, there is a risk that we fail to have in place sufficient capacity or	<ul style="list-style-type: none"> Capacity and skills gaps identified through business planning process and partnership work and these are being addressed. 	3 Possible	3 Moderate	Medium	↔	Director of Corporate & Commercial Services

Risk	Key mitigations	Likelihood	Impact	Rating & Trend		Owner
skills to deliver on increasing priorities and responsibilities	<ul style="list-style-type: none"> Organisational design processes underway across the organisation to ensure adequate capacity and structure of teams. 					
Due to different priorities and differential capacity, there is a risk that our relationships with key partners are not sufficiently strong to deliver on objectives.	<ul style="list-style-type: none"> Continue work to strengthen key partnerships Member and Officer representation on formal and informal groups, Panels and Committees across every aspect of the organisation's work. 	2 Unlikely	4 Serious	Medium	↔	Managing Director
Due to a legacy/outdated structure and resourcing in the Communications Team, there is a risk that perception management and effective communication of the CA and the LEP are compromised.	<ul style="list-style-type: none"> One structural review took place in 2020 and a significant organisational restructure of the service is underway 	3 Possible	3 Moderate	Medium	↔	Director of Strategy, Communications & Policing
Due to the ambitious approach to tackling the climate emergency adopted by the CA in setting a target of becoming net zero carbon by 2038, there is a risk that the CA will not have the capacity and resources to achieve this ambition, or that some existing priorities may not be delivered due to a shift in focus towards reducing carbon emissions.	<ul style="list-style-type: none"> A Clean Growth policy and action plan in place Clean Growth continue to be incorporated into core activities through the annual business planning cycle. Wellington House refurbishment plans include carbon cutting measures (solar panels, electric vehicle charging and low-energy lighting). The City Region's Energy Strategy and Delivery Plan also outline a range of partnership projects that will further support clean growth led by the CA. 	3 Possible	3 Moderate	Medium	↔	Director of Strategy, Communications and Policing
Due to staffing availability issues as a result of an increase in Covid-19 cases and/or self-isolation, there is a risk that frontline services and business as usual activities cannot be adequately provided.	<ul style="list-style-type: none"> Staffing levels being monitored and individual circumstances being regularly reviewed Individual resilience plans in place for frontline services National guidance on testing and isolating changing which will also help mitigate this risk 	2 Unlikely	4 Serious	Medium	↔	Director of Transport & Property Services
Due to the increased profile of the Combined Authority following the transition to the MCA Model, there is a risk that security arrangements in place for individuals and buildings is not sufficient.	<ul style="list-style-type: none"> Security review undertaken for individuals and practical actions being implemented as a result of this Security review of buildings undertaken and practical measures being implemented Training and awareness raising for staff 	2 Unlikely	4 Serious	Medium	↔	Managing Director