

Tyne and Wear ITA Strategic Risk Register – February 2012

Purpose - To enable all risks and opportunities to be recorded, evaluated and further actions planned in order to inform resource management and budget allocation.

Identification				Analysis				Control measures			
Ref	Opportunity / Risk description	Owner	Manager	Control mechanisms	Likelihood	Impact	Risk priority	Target risk priority	Actions to reduce risk	Target deadline	Action manager
Strategic											
1	<p>The importance of ITA policies providing partners with a clear strategic direction while also being integrated in any new governance arrangements for transport delivery.</p> <p>In order to do so the ITA must ensure its policies (wherever possible) consider emerging government policies and consultations across various themes, to include:</p> <ul style="list-style-type: none"> - different modes of transport, - wider geographical areas, - integration with wider policy areas such as the economy, health and wellbeing, climate change and skills. 	ITA Clerk	ITA Policy	<p>Effective governance and reporting mechanisms to ensure officers are aware of (and inform Members of) opportunities and risks across different geographical areas that have the potential to impact on the delivery of Tyne and Wear ITA's core aims and objectives – including links to the newly established Local Enterprise Partnership level.</p> <p>Regular ITA Policy seminars bring together the Members of ITA with a number of Officers to discuss future and emerging policy changes / consultations.</p> <p>Strengthened dialogue between Tyne and Wear Leadership Group and ITA facilitated by the ITA Clerk leading on senior / director level discussions.</p> <p>Clerk of the ITA leading on engagement with the Local Enterprise Partnership.</p> <p>ITA Officer Coordination Group meetings.</p> <p>Tyne and Wear Joint Transport Steering Group.</p> <p>ITA, LTP and Nexus Officer Liaison Meetings.</p> <p>ITA working-groups (LTP, Bus Strategy, E&D, Metro).</p> <p>ITA listed in latest consultation from government as a recommended member of new 'Transport Body' for major scheme devolutions.</p>	Med	Med	Amber (9)	Green (6)	<p>Audit of existing structures to ensure ITA continues to set the strategic direction for Tyne and Wear transport through LTP3 delivery – for example, all officer working groups to have new terms of reference drafted for implementation in April 2012.</p> <p>Clerk of the ITA to take lead in continuing effective engagement with Local Enterprise Partnership and LTP partners (through meetings, forums and workshops/events).</p> <p>Monitor emerging developments around regional/local transport policy, governance and investment planning.</p> <p>Continue to review and refresh ITA Policy statement to reflect new roles defined by Local Transport Act and set new strategic direction (via new vision and objectives).</p> <p>Ensure ITA takes a leading role in the new 'Transport Body' as recommended in current consultation on major scheme devolution.</p> <p>Representation on wider bodies for promotion and implementation of transport policies and lobbying: including, but not exclusively, Core Cities and the Eastern Network Partnership (rail).</p>	<p>March 2012</p> <p>Ongoing</p> <p>Ongoing</p> <p>May 2012</p> <p>Ongoing</p> <p>Ongoing</p>	<p>ITA Policy</p> <p>ITA Policy</p> <p>ITA Policy</p> <p>ITA Policy</p> <p>ITA Policy</p> <p>ITA Policy</p>

				<p>ITA leading on High Speed Rail and classic rail network on behalf of LTP partners, in liaison with wider geographic area such as LEP.</p> <p>Co-ordinated discussion between Leadership and Govt. through all means, including Core Cities, PTEG, etc</p>							
2	<p>Equalities issues not fully considered in policy formulation and other activities of the ITA, resulting in potential reputational damage, legal challenge and/or failure to deliver ITA vision and objectives.</p>	<p>ITA Deputy Clerk</p>	<p>ITA Policy</p> <p>Nexus Director of Customer Service</p>	<p>Existing equalities Codes of Nexus and Metro.</p> <p>Complaints System.</p> <p>No claims successfully lodged.</p> <p>Establishment of Equalities and Diversity ITA Working Group.</p> <p>Contributed towards NCC directorate Equalities and Diversity Action Plan.</p> <p>Revision of website to ensure easier access in line with best standards.</p> <p>Review of implications of Equality Act 2010.</p>	Low	Med	Green (6)	Green (4)	<p>Equalities assessments for ITA and Nexus Policy and Strategies:</p> <ul style="list-style-type: none"> ITA Policies and objectives Nexus Strategies <p>Review of ITA / Nexus Equalities Scheme(s)</p> <p>Implement changes to equalities obligations as outlined in Equalities Act 2010 – this involves the ITA adopting an existing PTE (Nexus) responsibility.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>As required by govt.</p>	<p>ITA Policy</p> <p>Nexus Head of Customer Service</p> <p>ITA Policy and Nexus lead on equalities</p>
3	<p>Reputational and financial opportunities and threats associated with 'Delivering the Bus Strategy' project.</p>	<p>ITA Clerk</p> <p>Nexus Director General</p>	<p>ITA Policy</p> <p>Nexus Head of Planning Strategy</p> <p>Local authorities</p>	<p>Individual risk register has been created for this project held by Nexus in addition to it being the major change to the latest Nexus Strategic Risk Register.</p> <p>Detail of relationship is handled by Nexus through regular meetings with Bus Operators.</p> <p>Bi-lateral meetings between operators and districts occur periodically.</p> <p>Ongoing dialogue with other PTEs and ITAs (through PTEG, ITA etc).</p> <p>ITA Bus Strategy Working Group established.</p> <p>ITA Clerk holds regular meetings with bus operators.</p>	Med	High	Red (12)	Amber (9)	<p>Ensure risk registers for this project are kept updated and acted upon to maximise the opportunities presented by this work and mitigate against the potential threats.</p> <p>Review governance of project with ITA overseeing this review.</p>	<p>Ongoing – by September 2012</p> <p>Ongoing – by September 2012</p>	<p>Nexus Director of Customer Service</p> <p>ITA Policy</p>
Economic											

4	<p>Project: Metro Reinvigoration</p> <p>Failure to provide effective challenge and governance to the Metro Reinvigoration Project.</p>	<p>ITA Clerk</p> <p>Nexus Director General</p>	<p>ITA Deputy Clerk</p> <p>Nexus Director of Rail and Infrastructure</p>	<p>Governance process approved within Outline Business Case is being followed.</p> <p>Ongoing dialogue with DfT</p> <p>Phase 1 and 2 approval received</p> <p>Expansion of capital programme reporting to illustrate key performance / project milestones to the ITA and ITA Scrutiny Committee</p> <p>Regular reports by Nexus to the ITA on Metro reinvigoration activity.</p>	Med	Med	Amber (9)	Green (6)	<p>Phase 2 ongoing.</p> <p>Regular reviews of programme to ensure best value for money for passengers.</p> <p>Regular updates at Policy Seminars and ITA Metro sub-committees</p>	<p>Phase 2 – 2010 - 2021</p>	<p>Nexus Director of Rail and Infrastructure</p> <p>ITA Policy</p>
5	<p>Project: New Tyne Crossing</p> <p>Impacts of NTC construction that could result in damage to community relations and reputation damage to the ITA / risk of not associating the reputational benefits from delivery to the ITA.</p>	<p>NTC Project Director</p>	<p>NTC Project Manager</p>	<p>Full Risk Assessment completed of all key phases of project – influenced negotiations of terms (regular reporting to NTC Project Board and ITA as required)</p> <p>Dedicated NTC Project Manager and Project Director as part of Project Governance, based onsite.</p> <p>Project Agreement protects ITA from financial liability for late delay.</p>	Low	Med	Green (6)	Green (6)	<p>New Tyne Crossing programme has been delivered.</p> <p>Overhaul of Tyne Pedestrian and Cycle Tunnels.</p>	<p>Ongoing – legacy</p> <p>June 2013</p>	<p>ITA Policy</p> <p>NTC Project Director</p>
6	<p>Risk of missing the opportunities presented by regional Smart Ticketing initiative (NESTI) to deliver ITA policy objectives around transport goals such as modal shift and network integration – and wider applications.</p>	<p>ITA Clerk</p> <p>Nexus Director General</p>	<p>ITA Policy</p> <p>Nexus Director of Finance and Resources</p>	<p>Update to ITA members at ITA Policy Seminar</p> <p>Regular updates at ITA meetings</p> <p>Funding secured from local authority partners</p> <p>Collaboration Agreement confirmed and governance (overseen by ITA) found to be 'good'.</p>	Med	Med	Amber (9)	Green (6)	<p>Delivery of North East Smart Ticketing Initiative (NESTI) in partnership with Local Authorities, operators and other stakeholders.</p>	<p>Ongoing (review progress in April 2011)</p>	<p>ITA Policy</p> <p>Nexus Director of Finance and Resources</p>

Financial and commercial

7	<p>Reduction in public sector finance to include:</p> <p>Future public spending restrictions by Central</p>	<p>ITA Clerk</p> <p>Nexus</p>	<p>ITA Treasurer</p> <p>Nexus Director</p>	<p>Funding secured for Metro Reinvigoration Phase 2.</p> <p>Earmarked reserves held to fund Tyne Tunnels and Metro</p>	Med	High	Red (12)	Amber (8)	<p>Continue to champion business case for Tyne and Wear schemes through member and officer structures.</p> <p>Continue to lobby & influence</p>	<p>Ongoing – review Dec 2012</p> <p>Ongoing –</p>	<p>ITA Clerk, Nexus DG</p>
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	<p>Government, impacting on key ITA projects and ability to deliver policy objectives.</p> <p>Insufficient funding for Concessionary Fares resulting in restricted ITA ability to fund other transport services, reduction in some services and adverse publicity.</p>	Director General	of Finance and Resources	<p>Reinvigoration work.</p> <p>Construction phase of NTC project now complete.</p> <p>£10m funding secured for NESTI project to deliver Smart Ticketing across the North East.</p> <p>Budget agreed for TPCT refurbishment works and built into NTC financial model</p> <p>Successful bid for LSTF funding for key components package - £4.9m DfT funding and £5.9m Local Contributions.</p> <p>Business case submitted for further LSTF funding - £25m programme to promote sustainable access to key employment sites.</p> <p>Representations made to DfT for support for Tyne Tunnel to achieve equitable treatment with other key river crossings such as Humber Bridge and Mersey Gateway. This would allow tolls to be capped at £1.50.</p> <p>Effective Capital programme monitoring to ensure schemes are delivered on budget and provide demonstrable value for money.</p> <p>Concessionary fares: ITA Treasurer involved in Settlement Working Group;</p> <p>Nexus FD involved in PTEG Working Groups</p>					<p>Department for Transport and other Government Departments on issues of Tyne and Wear transport challenges and opportunities, local transport funding and other funding mechanisms/opportunities.</p> <p>Develop evidence outlining the wider economic costs to Tyne and Wear of not delivering priority major schemes.</p> <p>Deliver improvements to Tyne Pedestrian and Cycle Tunnels (inclined lift and other improvements) within allocated budget</p> <p>Tyne Tunnels setting of Concession toll – analysis/modelling to ensure toll set at appropriate level to enable Tunnels to be self-financing over the life of the TT2 contract and beyond.</p> <p>Continue to press for formula change. Issues to be raised over the period with CLG and DfT.</p> <p>Bid to be submitted for resources from Better Bus Areas Fund.</p> <p>Respond to DfT consultation on devolving local major transport schemes – potential opportunity for ITA to take lead on prioritising and funding major schemes.</p> <p>Deputy Clerk and Treasurer to examine opportunities for alterations in the way Concessionary Travel schemes are funded nationally as part the Baseline Formula Review from 13/14.</p>	<p>review Dec 2012</p> <p>Ongoing – review Dec 2012</p> <p>Major Works to be delivered in 2012/13</p> <p>August 2012</p> <p>Ongoing – review Dec 2012</p> <p>Feb 2012</p> <p>March 2012</p> <p>March 2012</p>	<p>ITA Clerk, Nexus DG</p> <p>ITA Treasurer, Nexus Director of Finance</p> <p>NTC Project Director</p> <p>NTC Project Director</p> <p>ITA Treasurer, Nexus Director of Finance</p> <p>ITA Clerk</p> <p>ITA Clerk</p> <p>ITA Deputy Clerk and Treasurer</p>
8	<p>Pressure on Levy from Tyne & Wear Districts</p> <p>Pressures on Tyne and Wear Districts' budgets leading to severe reductions in levy awarded to ITA.</p>	ITA Treasurer	ITA Treasurer	<p>Agreed three year strategy for 2011/12 – 2013/14 with all Tyne & Wear Districts. This provides for a 5% reduction 2011/12, further 5% in 2012/13 and cash freeze 2013/14.</p> <p>Strategy includes use of ITA and Nexus unearmarked reserves – maintaining prudent minimum level.</p> <p>Strategy allows for development of more sustainable savings over the longer term through</p>	Med	Med	Red (12)	Amber (8)	<p>Explore options for potential alternative distribution of the levy between Tyne & Wear Districts, as requested by one of the Districts</p> <p>Begin work on agreeing MTFs for 2013/14 and beyond</p> <p>Explore further efficiency savings in ITA and Nexus budgets, e.g. overall model of support to ITA.</p> <p>Work on loans portfolio to take advantage of low rates and reduce financing costs</p>	<p>July 2012</p> <p>Dec 2012</p> <p>Nov 2012</p> <p>Sep 2012</p>	<p>ITA Treasurer</p> <p>ITA Treasurer, Nexus Director of Finance</p> <p>ITA Treasurer, Nexus Director of Finance</p> <p>ITA Treasurer</p>

				<p>Quality Partnerships or Quality Contracts scheme</p> <p>Significant efficiency savings delivered on both ITA and Nexus budgets in recent years.</p> <p>Pension costs (significant for ITA and Nexus budget) fixed until 2013/14 under 2010 triennial valuation</p> <p>ITA Budget reviewed and strategy agreed with Tyne & Wear Treasurers, Chief Executives and Leaders Groups.</p>							
Management											
9	Ineffective Performance Management leading to ineffective decision making and inappropriate use of resources.	ITA Clerk	ITA Policy	<p>Local Transport Plan and annual progress reports align policies and targets.</p> <p>Nexus Business Intelligence Annual Report of public transport and socio-economic trends</p> <p>Monitoring of LTP2 performance indicators.</p> <p>Various liaison meetings as highlighted in the 'Strategic' section.</p>	Low	Med	Green (6)	Green (4)	Resource planning to ensure the best delivery of ITA Policy.	March 2013	ITA Policy
10	Opportunity to further develop processes and arrangements for scrutiny to ensure that the ITA remains democratically accountable and transparent, and that the best possible outcomes are delivered for Tyne and Wear.	ITA Clerk	NCC Head of Democratic Services	<p>Scrutiny processes managed and supported through NCC Scrutiny Management Team</p> <p>Budget allocated by the ITA to support and develop the Committee's working methods.</p> <p>Scrutiny work programme reviewed and aligned against key LTP3 policy areas.</p> <p>Scrutiny Advisory Committee evaluates its work annually and prepares an annual report for the ITA.</p> <p>Regular reporting of ITA decisions to scrutiny committee, and feedback of scrutiny minutes to ITA for consideration.</p>	Med	Med	Green (6)	Green (4)	Review scrutiny forward programme in parallel with ITA forward programme to ensure relevant items and issues are considered by scrutiny committee, and that value is added to the ITA process.	May 2012	ITA Policy

ITA STRATEGIC RISK AND OPPORTUNITY MATRIX

		Impact			
		Nil	Low	Medium	High
Likelihood	High				
	Medium			<ul style="list-style-type: none"> ITA policies providing partners with a clear strategic direction while also being integrated in any new governance arrangements for transport delivery Failure to provide effective challenge and governance to the Metro Re-invigoration Project Opportunities presented by regional Smart Ticketing initiative (NESTI) Pressure on Levy from Tyne & Wear Districts Opportunity to further develop process and arrangements for scrutiny. 	<ul style="list-style-type: none"> Reputational and financial opportunities and threats associated with 'Delivering the Bus Strategy' project. Reduction in public sector finance including future public spending restrictions and insufficient funding for Concessionary Fares
	Low			<ul style="list-style-type: none"> Equalities issues not fully considered in policy formulation and other activities Impacts of NTC construction Ineffective Performance Management 	
	Nil				

		Impact			
		Nil	Low	Medium	High
Likelihood	High	4 (Green)	8 (Amber)	12 (Red)	16 (Red)
	Medium	3 (Green)	6 (Green)	9 (Amber)	12 (Red)
	Low	2 (Green)	4 (Green)	6 (Green)	8 (Amber)
	Nil	1 (Green)	2 (Green)	3 (Green)	4 (Green)

Closed risk log from last Risk Register (March 2011):

- No15 (April 06) – merged into Ref 1
- No13 (April 06) – becomes Ref 9
- No 33 (Nov 08) – merged into Ref 7
- No 11 (April 06) – merged into Ref 8
- No 23 (April 06) – merged into Ref 7
- No 28 (Nov 07) – merged into Ref 7
- No 7 (April 06) – becomes Ref 4
- No 29 (June 07) – closed, but wider remit becomes Ref 5
- No 34 (Dec 08) – closed, similar issues merged into Ref 1 re major scheme devolution consultation
- No 38 (Dec 08) – becomes Ref 2
- No 12 (April 06) – merged into Ref 3
- No 37 – becomes Ref 6
- No 25 (May 06) – merged into Ref 1
- No 20 (April 06) – becomes Ref 10