



## **Joint Transport Committee Audit Committee**

Wednesday, 16th June, 2021 at 10.00 am

Meeting to be held in the Lamesley Room, Gateshead Civic Centre (ground floor)

---

## **AGENDA**

---

	<b>Page No</b>
1. <b>Apologies for Absence</b>	
2. <b>Declarations of Interest</b>	
3. <b>Minutes of the last meeting held on 14 April 2021</b>	<b>3 - 6</b>
4. <b>Joint Transport Committee Strategic Risk Register</b>	<b>7 - 64</b>
5. <b>Joint Transport Committee Internal Audit Annual Report 2020/21</b>	<b>65 - 72</b>

This page is intentionally left blank



## **JOINT TRANSPORT COMMITTEE, AUDIT COMMITTEE**

### **DRAFT MINUTES FOR APPROVAL**

14 April 2021

Meeting held virtually via Microsoft Teams

#### **Present:**

- Mark Scrimshaw (Chair)
- Stuart Green (Vice Chair)

#### **Councillors:**

- M Swinburn – Northumberland County Council
- M Charlton – Gateshead Council
- A McMullen – North Tyneside Council
- E Bell – Durham County Council
- G Roughead – Northumberland County Council

#### **Officers:**

- Paul Darby – NECA Chief Financial Officer, Durham County Council
- Tobyn Hughes – Managing Director, Transport North East
- Tracy Davis – Senior Manager – Assurance, Sunderland City Council
- Ged Morton – Deputy Monitoring Officer, Gateshead Council
- Philip Meikle – Transport Strategy Director, Transport North East
- Gavin Armstrong – NECA

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr Ed Malcolm (South Tyneside Council) and Cllr Paul Stewart (Sunderland City Council).

### **2. DECLARATIONS OF INTEREST**

None were received.

### **3. MINUTES OF THE PREVIOUS MEETING HELD ON 1 JULY 2020**

RESOLVED: The minutes of the meeting held on 9 December 2020 were agreed as a correct record.

#### **Matters Arising**

At its last meeting Committee requested sight of the recovery plan prior to its submission to Government. It was noted that since then the Government has published its roadmap out of lockdown, with legal restrictions on social distancing potentially being lifted on or after 21 June 2021. Therefore, the LRRRG grant that Nexus receives from government has been extended until 21 June and discussions are ongoing with the Department for Transport around the recovery plan. It was noted that the Chief Operating Officer gave a presentation to the Tyne and Wear Sub Committee on this matter and it was agreed that this would be circulated to members after the meeting.

It was questioned how well the 24 hour trial opening of the pedestrian tunnel went. It was confirmed that this went well, there were no reported incidents of any anti social behaviour and the 24 hour opening will continue indefinitely, subject to reviews.

Some concerns were raised by a member not present at the previous meeting around the recording of the update on the refurbishment of the Tyne Pedestrian and Cycling Tunnels which had been provided at the last meeting. It was agreed that the report would be further circulated to those members who were not present at the last meeting and who had therefore not been part of the confidential discussion. In addition, there was a query raised following a recent press article. It was confirmed that this was as a result of a report which went to the Tyne and Wear Sub Committee last week regarding contractual issues concerning the inclined lifts. It was agreed that the report which went to the Sub Committee would be circulated to members of this Committee following the meeting.

### **4. JTC INTERNAL AUDIT PLAN 2021/22**

Committee received a report on the proposed Internal Audit Plan and performance measures for 2021/22.

The proposed audits planned for 2021/22 are;

- Transport Assurance Framework – the audit will review the operation of the framework arrangements to ensure appropriate projects are delivered which support the regional transport objectives (planned for 12 days).
- Contract Management Arrangements – TT2 – this audit was deferred from 2020/21 and will look at the management of the contract with TT2 for the operation of the Tyne Tunnel (planned for 15 days).
- Transforming Cities Programme – Compliance – the audit will be carried out to ensure that the arrangements put in place are being complied with (planned for 12 days).

It was noted that there has been no change to the performance indicators.

It was questioned whether there is any flexibility / contingency built into the audit plan to accommodate additional unforeseen work and whether the planned audits were linked to the risk register. It was confirmed that there is contingency built into the overall audit plan should additional work be required, but that the amount of time is tight this year due to Covid due to the need to complete a full audit programme across all clients. If there is additional work required certain areas will be prioritised, for example those big areas with more impact/highest risk.

It was confirmed that the annual report for last year will be reported to the next meeting of this Committee.

It was questioned why there is a gap on the summary of internal audit work in relation to a 'catastrophic event' given the pandemic. It was noted that this risk area was only added recently after it was requested by members and risk work was ongoing in this regard.

RESOLVED - That the Audit Committee considered and noted the proposed Internal Audit Plan for 2021/22 and the key performance measures for the provision of the service.

## **5. JTC STRATEGIC RISK REGISTER**

Committee received a report providing an up to date assessment of the strategic risks the JTC faces in seeking to achieve its objectives.

It was noted that there has been no change to the risks however some changes have been made which were highlighted in the report, for example the future availability of funding has changed from red to amber. This is as a result of more clarity being received from government regarding funding sources. A number of announcements have been made concerning what funding will be available from April 2022. It was acknowledged that this will provide more opportunity for bidding for funding. It was also noted that the report clearly separates what is within the JTC control and what is not.

The Electric Vehicle charging infrastructure was questioned. It was confirmed that LEP funding had been provided which allowed officers to undertake a study looking at suitable locations for EV charging points, and to install charging points at 7 sites which had been approved by the JTC. However, at present there is no overall strategy to guide the roll-out of EV charging, so work will be carried out over the next year to develop one. It was suggested that more points should be installed in tourist attraction areas to combat 'range anxiety' amongst EV drivers and bring more people to visitor attractions in the region.

A member asked what regional activities are being carried out to promote cycling, in particular in schools. It was confirmed that some local authorities procure safe cycling work in schools, however it was acknowledged that it is important to get all 7

local authorities working together. £250,000 will be spent on an active travel campaign this summer, social media and radio campaigns will promote itineraries and any locations which could be used across the area are currently being sought.

It was suggested that more needs to be done to change the public perception of public transport and ensure more joined up thinking.

It was noted that there is a sense of ownership of the risks and it was questioned how subjective the assessments were and what happens if a senior officer leaves as there seemed to be a reliance on key individuals and some concerns about business continuity. It was acknowledged that there is an element of informed subjective assessment based on professional opinion of the officers involved. All risk assessments were reviewed by the statutory officers prior to being published.

It was noted that it is rare to lose a senior officer at short notice therefore it would be hoped that there would be a handover and some continuity should there be a change. It was also noted that the individual risk assessments were detailed in order to thoroughly document them and that senior officers rely on their teams and work is underway to align risks more with the teams which are dealing with them.

It was suggested that the potential creation of a single combined authority covering all of the North East could make the JTC defunct and lead to a change in regional working, therefore should this not be included as a risk. It was explained that the North of Tyne Combined Authority and the North East Combined Authority already exercise their transport functions jointly through the JTC, and so it was not anticipated that the activities of the JTC or any successor body would fundamentally change.

RESOLVED - That the JTC Audit Committee noted the Strategic Risk Register

## **6. DATE AND TIME OF THE NEXT MEETING**

The next meeting will take place on Wednesday 16 June 2021 at 10am (to be confirmed).



## Joint Transport Committee – Audit Committee

---

**Date:** 16 June 2021

**Subject:** Joint Transport Committee Strategic Risk Register

**Report Of:** Senior Manager – Assurance, Sunderland City Council

### Executive Summary

This report provides members with an up to date assessment of the strategic risks the North East Joint Transport Committee (JTC) faces as it seeks to achieve its objectives.

There have been no additions or deletions to the risks included in the JTC Strategic Risk Register which was reported to the JTC Audit Committee in April 2021. Consequently, therefore the Strategic Risk Register still contains the same 14 risks.

Any recent changes, developments or activities considered relevant to the assessment of the JTC's strategic risks have been highlighted in green in Appendix 1 and 2 attached to this report.

The level of risk associated with the JTC's achievement of its strategic objectives previously reported remain the same. However, the Committee is asked to consider the risk scores of two risks in particular due to the current relaxation of COVID 19 restrictions, as follows:

- a) Strategic Risk 2 - Failure to achieve the planned outcomes to overcome inequality and support the growth of the economy in the JTC area.
- b) Strategic Risk 4 - The transport network within the JTC area fails to achieve the planned outcomes regarding the offer of appealing sustainable transport choices to people living or working in the area or visiting or travelling through the area.

The current likelihood score for both these risks is described as Medium (Risk is likely to occur in most circumstances). Although there are still a number of actions to be implemented to mitigate these risks it is considered that the impact of Covid 19 is less now than it was when the risks was first developed given that the Country is likely to move out of restrictions in the near future. The likelihood score of Low (Risk may occur) could be considered to be more appropriate at the current time. Changing the likelihood scores to Low move the risk rating for both risks to Amber from Red. Members are asked to consider this and agree whether or not the risk scores should be changed.

The level of risk associated with the remaining nine 'organisational' risks previously reported relating to the JTC has remained stable.

### **Recommendations**

1. The Audit Committee is asked to consider the Strategic Risk Register and comment on its content.
2. The Audit Committee is asked to consider the risk scores of Strategic Risks 2 and 4.



## 1 Background Information

- 1.1 The North East Combined Authority (NECA) was established in April 2014 and brought together seven councils within the North East. As a result of the Newcastle upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018 ('the Order') the North of Tyne Combined Authority (NoTCA) was created, and the boundaries of NECA changed on the 2 November 2018. NECA now covers the local authorities of Durham; Gateshead, South Tyneside and Sunderland; and NoTCA covers Newcastle, North Tyneside and Northumberland.
- 1.2 The two Combined Authorities have responsibility for transport; however, as the former Tyne & Wear passenger transport authority area (and its passenger transport executive, Nexus) straddle the two combined authorities, the Order also provided that they must establish a joint transport committee to exercise all transport functions. Hence the JTC was created.
- 1.3 The JTC defines its strategic risks as those matters which, if they were to occur, could have a material adverse impact upon the achievement of the JTC's vision of "moving to a green, healthy, dynamic and thriving North East"
- 1.4 On 16 March 2021, the JTC formally adopted a new North East Transport Plan, the first to cover the entire LA7 area. The Plan seeks to achieve five objectives. These are:
  - Carbon-neutral transport;
  - Overcome inequality and grow the North East economy;
  - Healthier North East;
  - Appealing sustainable transport choices; and
  - Safe, secure transport network.
- 1.5 This report offers the JTC's Audit Committee the opportunity to consider the nature and level of risk the JTC faces in seeking to achieve its overall vision and objectives. The Strategic Risk Register has been reviewed in light of feedback from the last JTC Audit Committee meeting in April 2021, the content of recent reports considered by the JTC Committee and its sub-committees including those reporting progress on the North East Transport Plan and discussions with Managing Director, Transport North East.
- 1.6 It should be noted for each of the 5 risks relating to the achievement of the JTC's strategic objectives and the 'organisational' risks, the causes of each of the risks and the factors affecting the likelihood of each of risk occurring originate from sources/actions both inside and outside the JTC organisation. Consequently, the management of the risk is not totally within the sole control of the JTC itself. The further mitigating actions to manage the risk recorded in the JTC Strategic Risk Register reflect only what the JTC is further planning to manage the risk.

## **2. Proposals**

2.1 The Register identifies 14 strategic risks. These are split into 2 categories:

- a) five risks relating to the achievement of the JTC's strategic objectives to be included in the JTC's North East Transport Plan being developed, and
- b) nine risks relating to the JTC organisation itself.

2.2 The risks relating to the objectives to be expressed in the North East Transport Plan are:

- a) Failure to achieve the aspiration of a fully carbon neutral transport network within the JTC area by 2035.
- b) Failure of the transport system to achieve the planned outcomes to overcome inequality and support the growth of the economy in the JTC area.
- c) Failure of the transport system to achieve the planned outcomes to contribute to the improvements in health of the population in the JTC area.
- d) The transport network within the JTC area fails to achieve the planned outcomes regarding the offer of appealing sustainable transport choices to people living or working in the area or visiting or travelling through the area.
- e) The transport system within the JTC area fails to achieve the planned outcomes regarding its safety and security.

2.3 The risks relating to the JTC organisation itself are:

- a) Sources and levels of funding available to the JTC to develop the North-East regions transport infrastructure within the region may reduce.
- b) Failure of the JTC to secure the maximum amount of transport funding available to progress transport infrastructure in the North-East region.
- c) Funding secured for transport initiatives within the North-East region by the JTC and its partners may not be able to be used on a timely basis or be sufficient to complete intended projects.
- d) The governance arrangements of the JTC are not appropriate to allow effective and timely decision making and the achievement of its objectives.
- e) The JTC does not have the necessary operational capacity, skills and budget, to successfully deliver the JTC's objectives and plans.
- f) Projects which are funded through the JTC are delayed, are significantly overspent or do not deliver the intended product to meet the identified transport need.

- g) Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained.
- h) Inadequate arrangements are in place to ensure that adequate levels of public transport services, for which the JTC has oversight, are maintained by the JTC's transport delivery partners.
- i) Inadequate arrangements are in place should a 'catastrophic' event occur which seriously impacts the transport system in the North East. e.g. public health emergency, security incident, infrastructure collapse (e.g. prolonged loss of power, prolonged fuel shortage).

2.4 The Strategic Risk Register has been updated in light of the content of recent reports considered by the North East Joint Transport Committee and its sub-committees, information from other relevant bodies, e.g. Nexus etc, and discussions with JTC officers.

Any recent changes, developments or activities considered relevant to the assessment of JTC's strategic risks have been highlighted in green in Appendix 1 and 2 attached to this report. It should be noted:

- a) No changes have been made to the number of risks or the description of risks.
- b) It is pleasing to note that the majority of changes relate to factors that are within the control of the JTC. The inclusion of current controls and mitigation actions relating to the development of rail, bus and EV strategies for the North East, progress on prioritising public EV sites and installing rapid chargers for the taxi trade, and an Active Travel summer programme for the public cut across the 5 risks relating to the JTC's strategic objectives.
- c) For further clarification a review has been carried out to group causes, likelihoods and mitigating actions under common themes where this appears relevant. There is also now a specific split between factors affecting the likelihood of risks occurring and the actual, current controls that are in place to address them. Together this has been done to identify clear links between, causes, likelihood factors and the activity to that is within the control of the JTC and its partners to address them in the form of current controls and mitigating actions. It is also hoped that this will support the ongoing appraisal and development of activity that seeks to address the identified risks.
- d) Although none of the risk scores have been changed in this report, the Committee is asked to consider the scores for two risks in particular, as follows:

Strategic risk 2 - Failure to achieve the planned outcomes to overcome inequality and support the growth of the economy in the JTC area.

Strategic risk 4 - The transport network within the JTC area fails to achieve the planned outcomes regarding the offer of appealing sustainable transport choices to people living or working in the area or visiting or travelling through the area.

The current likelihood score for both risks is described as Medium (Risk is likely to occur in most circumstances). Although there are still a number of actions to be implemented to mitigate these risks it is considered that the impact of Covid 19 is less now than it was when the risks were first developed given that the Country is likely to move out restrictions in the near future. The likelihood score of Low (Risk may occur) could be considered to be more appropriate at the current time. Changing the likelihood scores to Low move the risk rating for both risks to Amber from Red. Members are asked to consider this and agree whether or not the risk scores should be changed.

- 2.5 The 'Strategic Risks Summary' at Appendix 1 shows the 14 risk areas and for each risk provides a current RAG rating to provide a guide as to the level of risk the JTC currently faces for that risk. The direction of travel is also recorded together with reason for any changes to risk levels.

Appendix 2 'Strategic Risk - Details' provides a detailed description of the nature of each risk, the possible causes of each risk, an assessment of the impact of each risk should it occur, the factors which affect the likelihood of each risk occurring together with the relevant controls in place, or being put in place to mitigate each risk to an appropriate level.

Appendix 3 'Risk Analysis Toolkit' shows the risk scoring matrix that has been applied to assess the level of risk for each of the JTC strategic risks.

- 2.6 The Strategic Risk Register for regional transport will continue to be reviewed to record, monitor and report the strategic risks to the Audit Committee on a quarterly basis, with support from officers. Where appropriate, the risks will also be provided to NECA's Audit and Standards Committee and NoTCA for information.

### **3. Reason for the Proposals**

- 3.1 The Audit Committee continues to fulfil an ongoing review and assurance role in relation to the governance, risk management and internal control issues of the JTC.

### **4. Next Steps and Timetable for Implementation**

- 4.1 The Strategic Risk Register will be regularly reviewed. Update reports will be provided to the JTC Audit Committee.

### **5. Potential Impact on Objectives**

- 5.1 The development of the Strategic Risk Register will not impact directly on the JTC's objectives, however the approach to strategic risk management will support the JTC by acknowledging the most significant threats to the achievement of its

objectives and putting plans in place to manage them, e.g. the development of the North East Transport Plan and its subsequent delivery should incorporate measures to manage the key risks appropriately.

## **6. Finance and Other Resources Implications**

6.1 There are no financial implications arising from this report.

## **7. Legal Implications**

7.1 There are no legal implications arising specifically from this report.

## **8. Key Risks**

8.1 The report identifies what are considered to be the key risks to the achievement of the JTC's overall objectives.

## **9. Equalities and Diversity**

9.1 There are no equalities and diversity implications arising from this report

## **10. Crime and Disorder**

10. There are no crime and disorder implications arising from this report.

## **11. Consultation /Engagement**

11.1 The Head of Paid Service, Monitoring Officer, Chief Finance Officer and the JTC's Proper Officer for Transport have been consulted on the Strategic Risk Register.

## **12. Other Impact of the Proposals**

12.1 The proposals comply with the principles of decision making. Relevant consultation processes have been held where applicable.

## **13. Appendices**

Appendix A – 'Risks Summary' shows the JTC's strategic risks and the level of risk associated with each.

Appendix B – 'Strategic Risks – Details' provides a detailed assessment of the JTC's and actions identified to reduce the overall risk exposure.

Appendix C – Risk Analysis Toolkit determines the level of risk attached to each risk.

## **14. Background Documents**

14.1 The latest [Nexus Strategic Risk Register](#) can be found on the NECA website as part of the North East Joint Transport Committee, Tyne and Wear Sub-Committee,

which focuses on transport issues for both NECA and the North of Tyne Combined Authority within the Tyne and Wear Area.

## **15. Contact Officers**

Tracy Davis – Senior Manager – Assurance, Sunderland City Council.

[Tracy.Davis@sunderland.gov.uk](mailto:Tracy.Davis@sunderland.gov.uk)

Telephone - 07342704254

## **16. Sign off**

- Head of Paid Service ☐
- Monitoring Officer ☐
- Chief Finance Officer ☐
- Proper Officer for Transport ☐

Strategic Risks - Summary			
Risk Title & Description	Risk Level (RAG Rating)	Direction of Travel	Notes
<b>Risks to Achievement of JTC Strategic Objectives</b>			
<b><u>1 Carbon Neutral Transport</u></b>  Failure to achieve the aspiration of carbon neutral transport network within the JTC area by 2035.	Red 12	Static	Due to possible negative impact of Covid-19 on future funding and need for behavioural change
<b><u>2 Inequality and Growth of the Economy</u></b>  Failure to achieve the planned outcomes to overcome inequality and support the growth of the economy in the JTC area.	Red 12	Static	Due to possible negative impact of Covid-19 on future funding and cost and service availability users of public transport
<b><u>3 Health</u></b>  Failure of the transport system to achieve the planned outcomes to contribute the improvements in health of the population in the JTC area.	Amber 8	Static	Positive impact of Covid-19 on active travel counter balanced by possible negative impact of Covid-19 on future funding and need for behavioural change
<b><u>4 Appealing Sustainable Transport</u></b>  The transport network within the JTC area fails to achieve the planned outcomes regarding the offer of appealing sustainable transport choices to people living or working in the area or visiting or travelling through the area.	Red 12	Static	Due to possible negative impact of Covid-19 on future funding and cost and service availability to users of public transport

Strategic Risks - Summary			
Risk Title & Description	Risk Level (RAG Rating)	Direction of Travel	Notes
<b><u>5 Safety and Security</u></b>  The transport system within the JTC area fails to achieve the planned outcomes regarding its safety and security.	Amber 8	Static	Arrangements in place but possible negative impact of Covid-19 on future funding
<b>JTC Organisation Risks</b>			
<b><u>1 Future Availability of Funding</u></b>  Sources and levels of funding available to the JTC to develop the North-East regions transport infrastructure within the region may reduce.	Amber 8	Static	Increased Funding Opportunities for JTC
<b><u>2 Funding Opportunities</u></b>  Failure of the JTC to secure the maximum amount of transport funding available to progress transport infrastructure in the North-East region.	Amber 8	Static	N/a
<b><u>3 Use of Funding and Resources</u></b>  Funding secured for transport initiatives within the North-East region by the JTC and its partners may not be able to be used on a timely basis or be sufficient to complete intended projects.	Amber 8	Static	N/a
<b><u>4 Governance Arrangements</u></b>  The governance arrangements of the JTC are not appropriate to allow effective and timely decision making and the achievement of its objectives.	Green 4	Static	N/a
<b><u>5 Operational Capacity and Resourcing</u></b>  The JTC does not have the necessary operational capacity, skills and budget, to successfully deliver the JTC's objectives and plans.	Amber 8	Static	N/a
<b><u>6 Delivery of Transport Improvement Projects/Programmes</u></b>  Projects which are funded through the JTC are delayed, are significantly overspent or do not deliver the intended product to meet the identified transport need.	Amber 8	Static	N/a



Strategic Risks - Summary			
Risk Title & Description	Risk Level (RAG Rating)	Direction of Travel	Notes
<b><u>7 Transport Infrastructure Assets</u></b>  Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained.	Green 6	Static	N/a
<b><u>8 Service Delivery</u></b>  Inadequate arrangements are in place to ensure that adequate levels of public transport services, for which the JTC has oversight, are maintained by the JTC's transport delivery partners.	Green 6	Static	N/a
<b><u>9 'Catastrophic Event'</u></b>  Inadequate arrangements are in place should a 'catastrophic' event occur which seriously impacts the transport system in the North East. e.g. public health emergency, security incident, infrastructure collapse (e.g. power, fuel).	Amber 8	Static	N/a

## Strategic Risks - Details

Risks to Achievement of JTC Strategic Objectives	
<b>1 <u>Carbon Neutral Transport</u></b>  Failure to achieve the aspiration of a fully carbon neutral transport network within the JTC area by 2035.	<b><u>Risk Owner</u></b>
	Head of Paid Service (for Transport)
	<b><u>Risk Score</u></b>
	Red 12
<b>Possible Cause(s):</b>  <b>Private Transport</b> <ul style="list-style-type: none"> <li>• Growing demand for car travel and freight as economy grows.</li> <li>• Road vehicle owners holding on to current more polluting vehicles for longer e.g. people may be less reluctant to increase personal spending, commit to loans during recession or if people have been furloughed or lost their job as a result of Covid-19 they may be unable to afford a new car.</li> <li>• Drivers' unwillingness or inability to give up the use of their car and use more sustainable forms of transport e.g. walking, cycling or public transport for reasons such as convenience, independence, no practical alternative mode of sustainable transport available to meet needs.</li> <li>• 'Range anxiety' and lack of awareness resulting in consumers opting to purchase diesel/petrol vehicles instead of Electric Vehicles (EVs).</li> <li>• Lack of, or lack of user awareness of, charging infrastructure to support increase in uptake of EVs and lack of EV charging infrastructure to support EV owners who do not have off street parking.</li> <li>• High cost of Electric Vehicles when compared to diesel/petrol cars/vans.</li> <li>• Lack of incentives (e.g. financial) for road users to adopt zero/low emission vehicles.</li> <li>• Increased road traffic volumes and/or poor road infrastructure/traffic flow management causing congestion.</li> <li>• Road building/widening schemes in North East e.g. A19 will attract greater road usage.</li> </ul> <b>Active Travel</b> <ul style="list-style-type: none"> <li>• Poor infrastructures for cycling, walking and lack of segregated cycleways.</li> <li>• Reluctance to cycle instead of using the car over perceptions that cycling is unsafe,</li> <li>• Safety and security concerns about using public transport, cycling or walking at particular times of day.</li> </ul> <b>Public Transport</b> <ul style="list-style-type: none"> <li>• Public health concerns/fears, e.g. spread of Covid-19 during pandemic, about use of alternative modes of transport e.g. bus, train, Metro and associated inconvenience e.g. limited numbers/capacity due to need for social distancing, use of face mask causing greater use of road vehicles may put off people using low emission public transport.</li> <li>• Public reluctance to use public transport following government's advice during Covid-19 lockdown to only use public transport for essential journeys that cannot be made by walking, cycling or by car. Public may have interpreted this message to mean that public transport is unsafe/people are at risk of Covid-19 when using public transport.</li> </ul>	

- Lack of expansion in public transport network meaning that some communities are not served by the public transport network and therefore need to rely on car travel.
- Withdrawal of some bus routes or service frequencies resulting in some communities not being served by public transport.
- Lack of confidence by residents in the use of public transport e.g. fear for safety, harassment.
- Safety and security concerns about using public transport, cycling or walking at particular times of day.

#### **Central and Local Government Policy**

- Lack of effective carbon offset schemes.
- Lack of committed long term funding at local, regional or national government level.
- Lack of regular funding for EV infrastructure.
- Lack of prioritisation of carbon neutral agenda by transport policy decision makers.
- Council/transport delivery partners policies and priorities are not aligned to JTC aims/plans re carbon neutrality for transport.

#### **Transport Plan**

- Lack of a coordinated realistic regional plan and vision to achieve a carbon neutral transport network in the North East region and/or lack of will or resources to deliver plan by all or any stakeholder in transport.
- The potential effect of the activities planned by JTC and its delivery partners to achieve carbon neutrality are over-stated.

#### **Potential Impact/Consequence:**

The levels of carbon dioxide, nitrogen dioxide, other greenhouse gases and air particulates will remain high so:

- contributing to climate change with potential for extreme weather events.
- continuing to effect adversely the health of the population by increasing symptoms of respiratory (e.g. asthma) and cardiovascular disease (e.g. lung cancer, strokes, heart disease) in some cases leading to death. Air pollution can also have an impact of child development and development of dementia. This increases pressure on NHS resources e.g. increase hospital admissions.
- contributing to lower productivity in the region due to work absence for health reasons.
- exacerbating health inequalities as certain groups in society are more susceptible to high levels of air pollution e.g. elderly, children, those with disabilities, lower income groups who tend to live in housing in urban areas near roads.

#### **Likelihood:**

#### **Factors outside of JTC Control**

#### **Central Government Policy**

- Under climate change legislation UK government has goal that the country achieves carbon neutrality by 2050. Legal limits are in place re levels of air pollution.
- UK government has adopted measure to improve air quality. These include:
  - Intention to ban sale of new petrol and diesel cars by 2030.

- Investment in technological innovation re road vehicles e.g. batteries.
- Introduction of an 'Air Quality Plan' to reduce air pollution. As part of this plan funding schemes have been made available for extending the charging infrastructure for ultra-low emission vehicles (ULEV) including fast charging, putting low emission buses and taxis on the road, and improving cycling and walking infrastructure.
- The effect and cost of the Covid-19 pandemic on the UK economy may cause the UK government to reduce the level of funding available to the region to enable it to achieve its transport carbon neutral objective.
- *The UK government is committed to funding 4000 zero-emission buses in the UK by the end of 2025 and this is confirmed in the National Bus Strategy that was launched in March 2021. Zero Emission Bus Regional Areas (ZEBRA), a competitive grant programme has been launched for schemes of up to £35m to support zero emission buses.*
- The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use.

### **Rail**

- Network Rail has recently completed a strategy looking at the requirements needed to meet net zero carbon targets on the rail network by 2040. As part of this strategy there is an initial proposal that the whole North East rail network be electrified.

### **Other Public Transport**

- Bus operators within the region are using greater numbers of low emission buses. However, these are not in sufficient numbers to meet the stringent requirements for Clean Air Zones. This is partly because the funding for modifications for buses is less than for vans or taxis.
- Electric charging infrastructure for taxis is currently being installed at appropriate sites across the region.

### **Covid-19**

The Covid -19 pandemic has caused:

- A switch to the use of cars (high greenhouse gas emitters), a growth in cycling and walking and a decline in public transport patronage. This is possibly due to the need for social distancing, increased home working reducing the need to travel and a fear of catching the virus.
- There has been a huge reduction in the use of public transport including bus services and the Metro causing a severe loss in income. Without appropriate funding this may result in a future reduction in service level provision in public transport services. The government is currently providing funding to support the Metro however it is seeking to cease this as soon as possible. To this end it has asked for plans to be developed which allow the Metro to be self sustainable post Covid so its services match its income.
- Air quality improved during the lockdown due in part to less transport activity.

### **Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls**

#### **Central and Local Government Policy**

- The JTC received £10m from Tranche 1 of Transforming Cities Fund (TCF) for the funding of schemes that encourage more travel by bus, cycling and walking, improving connectivity to city centres and key employment sites.
- UK government has introduced Clean Air Zone (CAZ) framework for cities. As part of this Newcastle, Gateshead and North Tyneside Council are in the process of adopting a clean air zone.

- Councils have a responsibility to assess levels of air quality and if necessary, adopt a remedial plan and powers to tackle air pollution. Councils also have access to funding via the Air Quality Grant Scheme.
- Councils can use licensing powers to introduce emission requirements on taxi/private hire vehicles.

### **Public Transport**

- Award of £198.483m from Tranche 2 of the TCF to JTC will be used to deliver 27 transformational schemes that will improve the frequency and reliability of the Metro, speed up urban buses, make rail services more reliable, extend the cycling network and improve Park and Ride facilities.

### **Active Travel**

- See above re Award of £198.483m from Tranche 3 of TCF.  
The JTC has received Tranche 2 of the Emergency Active Travel Fund, £15.7m to install an ambitious programme of measures to reallocate road space to cycling and walking.

### **Current Controls:**

#### **Central and Local Government Policy**

- Both Combined Authorities and all seven Local Authorities in the region have declared a 'climate emergency' undertaking to make environmental considerations as part of decision making and working to reduce carbon emissions.
- JTC members, Transport North East officers and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), Northern Transport Acceleration Council (NTAC) to:
  - ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known, and
  - persuade government to make transport funding a priority.

### **Private Transport**

- The region received £3m (from ERDF and Office for Low Emission Vehicles) to deliver the Go Ultra Low Programme. The JTC's Transport Strategy Unit (TSU) are completing a project to deliver ULEV charging stations and points.
- The JTC has been awarded £100,000 from the Local Growth Fund to carry out an enabling study to identify 25 strategic sites for the installation of EV charging infrastructure. £500,000 LGF has been reserved to take forward between 4-6 priority EV hubs by summer 2021. This will increase the availability of EV charging infrastructure in the region.
- *Local Growth fund supported EV Enabling Study has identified 5 additional EV infrastructure sites, that have been priorities due to estimated costings and deliverability within funding timescales*
- The Tyne Pass Scheme, a free flow scheme at the Tyne Tunnel, allowing barrier free movement is being developed.

### **Rail**

- *A Rail strategy for the North East is under development, including a focus on bids to Restoring Your Railways Fund for Leamside Line, Bensham Curve (Team Valley – Chester le Street ), Cobalt/Silverlink (Tyne and Wear Metro extension), Gilsland Station,*

*Enhanced service between Newcastle and Berwick and Belford Station .*

**Other Public Transport**

- Nexus are in the process of upgrading the Metro' infrastructure and rolling stock to provide improved services and reliability.
- As part of a Bus strategy for the North East, a forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.
- *Four Rapid chargers for the taxi trade have been installed and are now live with four more to follow and a further one planned.*

**Active Travel**

- The JTC has received £2.262m from Tranche 1 of the Department for Transport's Emergency Active Travel Fund. The funding has been used to install 'pop up' measures to support and encourage the increase in cycling and walking experienced during lockdown.

**Transport Plan**

- The JTC has adopted the North East Transport Plan. One of the plan's objectives is to achieve transport carbon neutrality with associated targets attached. The document provides the planned activity necessary to achieve this goal.
- The North East Transport Plan sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the ask to central Government.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<b>Private Transport</b>	
<i>Four rapid chargers for the</i> Go Ultra Low taxi project have been installed, <i>with a further five to operational soon, and a tenth to follow, to</i> improve access to electric vehicle charging infrastructure for the taxi trade.	Managing Director, Transport North East
The Go Ultra Low North East programme is to be delivered. The aim of the programme is to increase the uptake of ultra-low emission vehicles (ULEVs) in the North East	Managing Director, Transport North East
<i>Continue to progress EV strategy.</i>	<i>Managing Director, Transport North East</i>
<i>With JTC approval, a supplier to install, operate and maintain the 5 additional EV Infrastructure sites identified by Local Growth EV Enabling Study will be procured.</i>	<i>Managing Director, Transport North East</i>
<b>Public Transport including Rail</b>	
<i>Continue to progress Rail strategy.</i>	<i>Managing Director, Transport North East</i>
<i>Continue to progress Bus strategy.</i>	<i>Managing Director, Transport North East</i>
Capital projects funded by TCF Phase 2 to delivered in line with timescales	Managing Director, Transport North East
<b>Active Travel</b>	
Scheme promoters to deliver schemes funded through Emergency Active Travel Fund. Schemes will deliver improvements for cycling and	Managing Director, Transport North East

walking.	
<p><i>Unallocated Active Travel Fund Tranche 2 to be used for a programme for Summer 2021 to capitalise on move to cycling and walking during lock down and staycations with the planned relaxation of measures. The programme will be based around:</i></p> <ul style="list-style-type: none"> <li><i>• Get Active day out Travel itineraries.</i></li> <li><i>• Maps of the cycling and walking network.</i></li> <li><i>• Cycling skills roadshows, interactive workshops and promotion of the programme.</i></li> </ul> <p><i>The programme is aimed to support all of the objectives of the Transport Plan.</i></p>	<p><i>Managing Director, Transport North East</i></p>
<b><i>Transport Plan</i></b>	
Planned activity to deliver the North East Transport Plan projects to achieve one of the Plan's objectives to achieve transport carbon neutrality is to be delivered in line with timescales.	Managing Director, Transport North East



<p><b><u>2 Inequality and Growth of the Economy</u></b></p> <p>Failure of the transport system to achieve the planned outcomes to overcome inequality* and support the growth of the economy in the JTC area.</p>	<p><b><u>Risk Owner</u></b> Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p>Red 12</p>
	<p>Likelihood – Medium 3 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <p>Transport Inequality*</p> <p><b>Transport Network</b></p> <ul style="list-style-type: none"> <li>Transport network does not adequately allow all residents to access transport to meet their needs e.g. transport is not available or not reachable, or if it is, the service is unreliable, or is not frequent enough or runs at the wrong times. This could be due to: <ul style="list-style-type: none"> <li>Poor planning where transport infrastructure to support new housing or business development is not adequately considered.</li> <li>Inadequate understanding of transport needs of residents and businesses</li> <li>The geographic spread of communities in rural areas means it may not be cost effective to provide public transport.</li> <li>Lack of funding from government (central or local) due to policy or financial necessity due to economic downturn to operate current transport service provision or to develop new or alternative public transport provision.</li> <li>Lack of resources to maintain transport infrastructure and fleets to service users</li> </ul> </li> </ul> <p><b>Public Transport</b></p> <ul style="list-style-type: none"> <li>Costs to users of public transport provision is prohibitive due to: <ul style="list-style-type: none"> <li>High fares e.g. as a result of inflation.</li> <li>Reduction in subsidies/concessions to users of public transport as a result of government policy or financial necessity due to an economic downturn or public investment priority is road and rail rather than bus/Metro which affects those on low incomes disproportionately more.</li> </ul> </li> <li>Inadequate communication between providers of public transport in different area resulting in a lack of integration of services causing users to be unable to complete journeys in a reasonable time.</li> <li>Residents are not aware of all the public transport services available and do not know where to go to access public transport information.</li> <li>Lack of innovative transport solutions to address transport inequality.</li> <li>Lack of flexible ticketing options for public transport e.g. tickets that allow travel on services provided by more than one operator, lack of saver tickets which do not require passengers to travel daily to get the best value.</li> </ul> <p><b>Central and Local Government Policy</b></p> <ul style="list-style-type: none"> <li>Lack of integrated and partnership working between organisation responsible for transport policy and service delivery and other stakeholders e.g. those responsible for employment, education, skills, housing and economic development policy; alternative public transport service providers e.g. community transport etc.</li> <li>Council/transport delivery partners policies and priorities are not aligned to JTC aims/plans re transport inequality and economic growth.</li> </ul>	



## Growth of the Economy

### Transport Network

- Insufficient capacity within the transport infrastructure to allow businesses to connect to suppliers, and consumers either at a local, regional, national and/or international level. Causes could be:
  - A failure to understand the current and future transport needs of north east businesses and to develop and deliver clear overall plans to meet those needs;
  - Poor design of transport solutions e.g. wrong place or wrong mode of transport;
  - Lack of funding from government (central or local) due to policy or financial necessity due to an economic downturn to develop and deliver transport improvement projects leading to inaction, delay or cancellation;
  - Lack of involvement by relevant North East bodies in regional, national transport initiatives and central government to put forward transport case re connectivity to the north east region;
  - Lack of agreement as to the prioritisation of transport improvement projects.
- Transport routes available are not sufficiently efficient for business needs e.g. long journey times, lack of safety of goods, unreliable. Causes could be:
  - Poor management of transport networks causing congestion on roads, poor timetabling of services e.g. rail;
  - Lack of prioritisation for adequate maintenance e.g. roads, rail, rolling stock;
  - Lack of adequate funding to deliver improvements to the transport network
- Transport infrastructure does not allow businesses to access the employment pool available within the region that they require. The possible causes are as those for transport inequality above.

### Transport Plan

- Lack of a coordinated realistic regional transport plan and vision to overcome transport inequality and to support the growth of the economy in the North East region and/or lack of will or resources to deliver plan by all or any stakeholder in transport

(\* 'Transport inequality' is defined as the failure to provide adequate public transit options for low income residents making it difficult for a) residents to find and commute to higher paying jobs, or education and training, that would help them improve their economic status and/or b) residents to travel to key services to meet their needs whether business, medical or leisure)

### Potential Impact/Consequence:

- Residents, particularly low-income earners, in the north east will not be able to access work or move into education and training that could improve their prospects e.g. economic, health. Progress on social mobility in the region will be limited.
- Residents in some areas of the region will not be able to access health care and other essential services as a result of a poor transport network.
- Residents without appropriate transport infrastructure business may choose to locate or expand business in locations other than the north east resulting in loss of new employment opportunities for its residents, and loss of investment and income to the region.

## Likelihood:

### Factors outside of JTC Control

#### Central Government Policy

- Currently there is no commitment to invest to grow the capacity and resilience of the East Coast Mainline corridor between York and Newcastle to link the region to HS2 and other Northern Powerhouse rail routes. The East Coast Main Line is unable to cope with existing demand, let alone that of the future. If the line is not invested in the economic gap between the north and south will widen and 'levelling up' won't be achieved.
- Government measures as a result of the Covid-19 pandemic has resulted in the reduction of public transport services e.g. bus, Metro, rail and a lack of capacity due to the need to socially distance. This impacts to a greater extent those on lower incomes and those without access to a car.

#### Transport Network

- Significant major road schemes are currently being undertaken on the strategic road network e.g. A19, A1 improvements to improve traffic flows. Highways England have 6 further major road widening/improvement schemes relating to the A1 and A19 routes planned up to 2025.
- The area served by the JTC has approximately a third of its population living in rural communities.  
East-west connectivity from the region is slow via road and rail.

#### Covid-19

- The Covid-19 pandemic has reduced Metro and bus patronage resulting in financial losses. These losses have been supported by a short-term funding grant from government. If this funding ceased and patronage levels do not increase bus companies and Nexus will be making a loss which could result in the need to reduce/ withdraw some services. The government is currently providing funding to support the Metro however it is seeking to cease this as soon as possible. To this end it has asked for plans to be developed which allow the Metro to be self sustainable post Covid so its services match its income.
- *The current relaxation of Covid-19 restrictions should help to reduce these pressures in the near future.*

#### Rail

- The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use.
- As part of Network Rail's long-term planning process, an assessment of the routes from York to the North East has been completed. There are a number of recommendations to make improvements to be taken forward for future business case development or option analysis. These will improve the capacity of rail network in the North East area.
- *The government is expected to publish its Integrated Rail Plan (IRP) for the North and Midlands shortly, following its review of the recommendations from the National Infrastructure Commission's (NIC) Rail Needs Assessment for the North and Midlands, published in December 2020. This should help clarify the future direction for high-speed long-distance services to and from the North East.*
- *Network Rail and train operators are working on East Coast Mainline May 2022 Timetable change which has identified a desperate shortage of capacity on the route. LNER is*

*running a formal 12 week public consultation up to 13<sup>th</sup> June.*

### **Other Public Transport**

- The Metro is currently accessible to 40% of the population with bus use per household the highest in England outside London.
- *The Government's National Bus Strategy promotes Local Transport Authorities working in Enhanced Partnership with operators to access funding to assist with market recovery from the pandemic: this may be a requirement.*

### **Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls**

- The JTC has recently been awarded £198.483m from Tranche 2 of the Transforming Cities Fund. The funding will be used to deliver 27 transformational schemes that will improve the frequency and reliability of the Metro, speed up urban buses, make rail services more reliable, extend the cycling network and improve Park and Ride facilities.
- The JTC has received Tranche 2 of the Emergency Active Travel Fund, £15.7m to install an ambitious programme of measures to reallocate road space to cycling and walking.

### **Current Controls:**

### **Central and Local Government Policy**

- JTC members, Transport North East officers and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), Northern Transport Acceleration Council (NTAC) to:
- ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known, and
- persuade government to make transport funding a priority.
- The region has come together to focus its attention on recovery with transport and digital being a key element. A "Connected North East: Our Blueprint" has been developed and submitted to Government ahead of the deadline for submissions for the Comprehensive Spending Review. It makes the case for investment in the region to aid recovery from the pandemic.

### **Rail**

- *A Rail strategy for the North East is under development, including a focus on bids to Restoring Your Railways Fund for Leamside Line, Bensham Curve (Team Valley – Chester le Street ), Cobalt/Silverlink (Tyne and Wear Metro extension), Gilsland Station, Enhanced service between Newcastle and Berwick and Belford Station*

### **Other Public Transport**

- Local councils continue to contribute to a transport levy to the Joint Transport Committee to fund concessionary fares schemes and subsidies for bus services in the region and the Tyne and Wear Metro service. However due to financial pressure on councils in recent years this has remained fairly static. With the reduced use of public transport, the demand for increases in subsidies may rise if current service levels are to be maintained
- Nexus are currently completing a programme of Metro infrastructure improvements and are starting a programme of replacing its rolling stock.
- A final business case has been submitted to for the development of the Northumberland Line, a new train line between Ashington and Newcastle. *The government announced £34m for a study relating to the Line on 23<sup>rd</sup> Jan.*

- *As part of a Bus strategy for the North East, a forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.*

### **Transport Network**

- Projects have recently been completed to enhance accessibility e.g. opening of new railway station at Horden and improvements in traffic management systems and bus prioritisation.

### **Active Travel**

- The JTC has received £2.262m from Tranche 1 of the Department for Transport's Emergency Active Travel Fund. The funding has been used to install 'pop up' measures to support and encourage the increase in cycling and walking experienced during lockdown.

### **Transport Plan**

- A North East Transport Plan has been adopted by the JTC. One of the Plan's objectives is to 'overcome inequality and grow our economy'. The Transport Plan is accompanied by an Intervention Plan which sets out how objectives will be achieved.
- The North East Transport Plan sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the ask to central Government.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<b>Transport Plan</b>	
Planned activity to deliver the North East Transport Plan projects to achieve one of the Plan's objectives to 'overcome inequality and grow our economy' is to be delivered in line with timescales.	Managing Director, Transport North East
<b>Rail</b>	
Continue to make the case to government for urgent investment in the East Coast Main Line north of York	Managing Director, Transport North East
<i>Regional response to LNER formal consultation on May 2022 East Coast Mainline Timetable change to reflect JTC members views.</i>	<i>Managing Director, Transport North East</i>
<i>Continue to progress Rail strategy.</i>	<i>Managing Director, Transport North East</i>
<b>Other Public Transport</b>	
Capital projects funded by TCF Phase 2 to be delivered in line with timescales.	Managing Director, Transport North East
As Part of the Bus strategy for the North East, JTC are working with North East Bus Operators to complete development of 'local bus partnership' to, in the longer term, improve the bus work network for the community.	Managing Director, Transport North East
<i>Continue to progress Bus strategy.</i>	<i>Managing Director, Transport North East</i>
<b>Active Travel</b>	

Scheme promoters to deliver schemes funded through Emergency Active Travel Fund. Schemes will deliver improvements for cycling and walking	Managing Director, Transport North East
<p><i>Unallocated Active Travel Fund Tranche 2 to be used for a programme for Summer 2021 to capitalise on move to cycling and walking during lock down and staycations with the planned relaxation of measures.</i></p> <p><i>The programme will be based around:</i></p> <ul style="list-style-type: none"> <li><i>• Get Active day out Travel itineraries;</i></li> <li><i>• Maps of the cycling and walking network;</i></li> <li><i>• Cycling skills roadshows, interactive workshops and promotion of the programme.</i></li> </ul> <p><i>The programme is aimed to support all of the objectives of the Transport Plan.</i></p>	Managing Director, Transport North East

<b>3 Health</b>  Failure of the transport system to achieve the planned outcomes to contribute to the improvements in health of the population in the JTC area.	<b><u>Risk Owner</u></b> Head of Paid Service (for Transport)
	<b><u>Risk Score</u></b>
	Amber 8
	Likelihood – Low 2 Impact – Significant 4
<b>Possible Cause(s):</b>  The transport system can contribute to the health improvement of the population in 2 ways by a) increasing the amount of ‘active travel’* and b) reducing the amount of air pollution. Causes which may prevent progress in these 2 areas are:  <b>Active Travel</b> <ul style="list-style-type: none"><li>• Fear for personal safety, perceived or real.</li><li>• Lack of time to make journeys using active travel.</li><li>• Convenience and comfort of using the car (e.g. carrying heavy/bulky items, avoiding bad weather).</li><li>• Unwillingness to take part in active travel.</li><li>• Lack of facilities to support active travel e.g. changing/showering/locker facilities, secure cycle parking.</li><li>• Lack of fit for purpose, well maintained walking/cycling infrastructure e.g. lack of segregated cycle lanes, lack of continuous routes between home and workplace/school/community service.</li><li>• Impracticality for journey purpose, e.g. school drop off on way to work, shopping on way home from work, may not be suitable for people with disabilities.</li><li>• Plans and policies, e.g. council Local Plans, do not take into account the active travel agenda.</li><li>• Lack of support/confidence to change travel behaviour to active modes and lack of confidence in ability to cycle, particularly on roads.</li><li>• Insufficient promotion and knowledge of existing walk/cycle routes.</li></ul> <b>Air Quality</b> <ul style="list-style-type: none"><li>• Refer to possible causes re Strategic Risk 1, Carbon Neutral Transport</li></ul> <b>Central and Local Government Policy</b> <ul style="list-style-type: none"><li>• Lack of available funding to develop or maintain infrastructure.</li><li>• Policies of JTC and other stakeholders e.g. councils are not aligned.</li><li>• Competing priorities e.g. improving journey times for vehicles to aid economic activity yet reducing speed of traffic for cyclists/walkers; need for essential road maintenance when desire to improve/develop active travel facilities.</li><li>• Lack of committed long term funding at local, regional or national government level.</li></ul>	

### **Transport Plan**

- Lack of a coordinated realistic regional plan and vision to achieve the planned outcomes to contribute to the improvements in health of the population in the North East region and/or lack of will or resources to deliver plan by all or any stakeholder in transport.

### **Private and Public Transport**

- Cost affordability. Costs of transport for users may be too high.

\*‘Active travel’ is defined as the use of walking and cycling as a means of transport to get to a particular destination e.g. work, shopping, visit friends. Active travel can be used for a complete journey or part of a journey e.g. walk to get on a bus

### **Potential Impact/Consequence:**

- Continued overcrowding of public transport e.g. trains and buses exacerbated by social distancing due to the Covid-19 pandemic will continue.
- Levels of congestion on roads will not be reduced, therefore air quality will not improve.
- Road casualties will not be reduced.
- The benefits of physical activity in the area will not be realised e.g. lower death rates; lower rates of cardiovascular disease, cancer, obesity, diabetes; better mental health so maintaining the pressure on NHS services and costs.
- Levels of absenteeism from work due to ill health will be not reduced so productivity declines.
- Improvements in quality of life in the area will not be achieved i.e. better air quality, lower carbon emissions from transport, reduced noise pollution from transport.

### **Likelihood:**

#### **Factors outside of JTC Control**

#### **Active Travel**

- July 2020 Government published ‘Gear Change: a bold vision for cycling and walking.’ The document sets out actions required by government to make England a great cycling and walking nation.
- Government has also provided funding to:
  - Improve cycling facilities at railway stations
  - Provide programmes to support walking to school
  - Cycling UK to provide bike maintenance and cycling classes.
- The government operates a ‘cycle to work’ scheme which is a tax exemption initiative to promote cycling to work. Employers can loan cycles to employees as a tax-free benefit.
- There has been a recent increase in the uptake of cycling and walking during the Covid-19 pandemic period. With the ongoing need for social distancing including public transport this uptake is likely to be maintained for the foreseeable future.
- Post Covid-19 pandemic the Government has announced a £250 million emergency active travel fund which is to be used to:
  - adopt a bike voucher repair scheme to get unused bikes owned by the public repaired. Its effectiveness will be monitored to see if scheme will be continued.
  - provide initially pop-up measures to create a safer environment for walking and cycling in England.



- The North East received £2.262m from Tranche 1 of the Fund to quickly deliver temporary improvements. The JTC has received Tranche 2 of the Emergency Active Travel Fund, £15.7m to install an ambitious programme of measures to reallocate road space to cycling and walking. These measures will improve safety for pedestrians and cyclists and encourage active travel. This emergency active travel fund is part of a £2 billion funding package nationally for investment in cycling and walking.
- The JTC area contains many cycling routes, some of which are part of the national cycling network.
- A new Capability Fund has been announced in March 2021 with the North East receiving £2.1m to spend on revenue projects improving access to public and active travel.

### **Air Pollution**

- Refer to 'likelihood' section re Strategic Risk 1, Carbon Neutral Transport.

### **Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls**

#### **Active Travel**

- Councils have received government guidance e.g. 'Working Together to Promote Active Travel', National Planning Policy Framework which encourages them to shape and create an environment to encourage active travel via a basket of measures e.g. via planning process to allow the built environment to encourage cycling/walking; 20 mph speed limit zones; improving infrastructure for cycling; school travel plan development; access to green spaces; good street lighting; road crossing points etc.
- Government issued in May 2020 statutory guidance for Local Authorities on the reallocating of road space in response to COVID-19. The aims of the reallocation of road space is to increase in the number of cyclists and pedestrians and enable social distancing.

#### **Current Controls:**

#### **Central and Local Government Policy**

- JTC members, Transport North East officers and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), Northern Transport Acceleration Council (NTAC) to:
  - ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known, and
  - persuade government to make transport funding a priority.

#### **Transport Plan**

- A North East Transport Plan has been adopted by the JTC. One of the Plan's objectives is to 'contribute to health improvements of the population'. The Transport Plan is accompanied by an Intervention Plan which sets out how objectives will be achieved.
- The North East Transport Plan sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the ask to Central Government

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<b>Transport Plan</b>	
Planned activity to deliver the North East Transport Plan projects to achieve one of the Plan's objectives to 'contribute to health improvements of the population' is to be delivered in line with timescales.	Managing Director, Transport North East



<b>Public Transport including Rail</b>	
Capital projects funded by TCF Phase 2 to be delivered in line with timescales.	Managing Director, Transport North East
<b>Active Travel</b>	
Delivery of projects funded by Emergency Active Travel Fund. Projects will provide improvements for pedestrians and cyclists and will support the increase in cycling and walking experience during the pandemic.	Managing Director, Transport North East
<p><i>Unallocated Active Travel Fund Tranche 2 to be used for a programme for Summer 2021 to capitalise on move to cycling and walking during lock down and staycations with the planned relaxation of measures.</i></p> <p><i>The programme will be based around:</i></p> <ul style="list-style-type: none"> <li><i>• Get Active day out Travel itineraries;</i></li> <li><i>• Maps of the cycling and walking network;</i></li> <li><i>• Cycling skills roadshows, interactive workshops and promotion of the programme.</i></li> </ul> <p><i>The programme is aimed to support all of the objectives of the Transport Plan.</i></p>	<i>Managing Director, Transport North East</i>

<p><b><u>4 Appealing Sustainable Transport</u></b></p> <p>The transport network within the JTC area fails to achieve the planned outcomes regarding the offer of appealing sustainable transport* choices to people living or working in the area or visiting or travelling through the area.</p>	<p><b><u>Risk Owner</u></b></p> <p>Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p>Red 12</p>
	<p>Likelihood – Medium 3 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <p><b>Public Transport</b></p> <ul style="list-style-type: none"> <li>• Lack of understanding, when developing the sustainable transport offer, of what potential users i.e. citizens or visitors, consider to be important and 'appealing' when considering whether to use alternatives to the car.</li> <li>• Transport provision currently in place or to be developed does not adequately allow citizens and visitors to access sustainable transport options to meet their needs e.g. sustainable transport is not available or not reachable, or if it is, the service is unreliable, does not have sufficient capacity or is not frequent enough or runs at the wrong times or does not take them to destination they require. This could be due to: <ul style="list-style-type: none"> <li>- Poor planning where sustainable transport infrastructure to support citizen/visitor needs, and appeal to, is not adequately considered.</li> <li>- Inadequate understanding of transport needs of residents and visitors</li> <li>- The geographic spread of communities in rural areas means it may not be economic for the provision of appropriate sustainable transport options e.g. bus services in rural areas are often poor or non-existent because they are not commercially viable for bus operators.</li> <li>- Lack of funding from government (central or local) to operate sustainable transport service provision or to develop new or alternative sustainable transport provision. As a result, for example, vehicles breakdown more often and become unreliable or cycle routes are not maintained so they are less likely to be used.</li> <li>- Lack of resources to maintain sustainable transport infrastructure and fleets to potential users.</li> </ul> </li> <li>• Costs to users of sustainable public transport provision, e.g. buses, trains, Metro, is perceived to be high relative to the use of a car due to: <ul style="list-style-type: none"> <li>- Level of fares and</li> <li>- Reduction in subsidies/concessions to users of public transport as a result of government (national/local) policy or financial necessity due to an economic downturn e.g. Covid-19 impact.</li> </ul> </li> <li>• Inadequate communication between providers of sustainable transport in different areas resulting in a lack of integration of services/routes causing users to be unable to complete journeys in a reasonable time.</li> <li>• Inability to plan journeys and purchase tickets seamlessly across all modes of transport and operators.</li> <li>• Residents are not aware of all the public transport services available and do not know where to go to access public transport information.</li> <li>• Policies and priorities of council/transport delivery partners are not aligned to JTC</li> </ul>	

aims/plans re offer of appealing sustainable transport choices.

### **Active Travel**

- Infrastructure for sustainable transport does not address potential users' fears, perceived or otherwise, regarding their personal safety and security e.g. injury, illness e.g. Covid-19, harassment/personal attack. The infrastructure e.g. separate cycle lanes, lighting, security measures etc may be absent completely or insufficient.

### **Private Transport**

- Road user's unwillingness to give up the use of their current vehicles for other sustainable transport options e.g. bike, walking, train, Metro, buses for reasons such as convenience, independence, perceived cost, journey time etc. This may mean no sustainable alternative mode of transport will be considered 'appealing' to a citizen, visitor.

### **Transport Plan**

- Lack of an overall sustainable transport plan for the area as a whole to deliver an appealing sustainable transport offer which provides a blueprint for the north east area overall to which all transport delivery partners e.g. councils, Nexus, rail providers etc can support and help to deliver.

\* Sustainable transport is defined as alternative modes of transport to the car which do not use or rely on dwindling natural resources e.g. renewable energy. This includes walking and cycling as well as other forms of public transport but excludes cars.

### **Potential Impact/Consequence:**

- Levels of congestion on roads and road casualties will not be reduced.
- Health of population does not improve so maintaining the pressure on NHS services and costs.
- The benefits of physical activity in the area will not be realised e.g. lower death rates; lower rates of cardiovascular disease, cancer, obesity, diabetes; better mental health.
- Levels of absenteeism from work due to ill health will be not reduced so reducing productivity.
- Improvements in quality of life in the area will not be achieved i.e. better air quality, lower carbon emissions from transport, reduced noise pollution from transport
- The number of tourists may be reduced.
- Investment in region may be reduced.

### **Likelihood:**

#### **Factors outside of JTC Control**

### **Central Government Policy**

- Currently no commitment to invest to grow the capacity and resilience of the East Coast Mainline corridor between York and Newcastle ensuring that the line is 'HS2/NPR ready' by the 2030s. The East Coast Main Line is unable to cope with existing demand, let alone that of the future. If the line is not invested in the economic gap between the north and south will widen and 'levelling up' won't be achieved.

### **Active Travel**

- In July 2020 Government published their cycling and walking plan ‘Gear Change; a bold vision for cycling and walking.’ The document sets out actions required by government to make England a great cycling and walking nation. Actions are grouped under 4 themes:
  - better streets for cycling and people;
  - cycling and walking at the heart of decision-making;
  - empowering and encouraging local authorities;
  - enabling people to cycle and protecting them when they do.
- The UK government has also provided funding to improve cycling facilities at railway stations, provide programmes to support walking to school and, via Cycling UK, to provide bike maintenance and cycling classes.

### **Rail**

- The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use.
- *Network Rail and train operators are working on East Coast Mainline May 2022 Timetable change which has identified a desperate shortage of capacity on the route. LNER is running a formal 12 week public consultation up to 13<sup>th</sup> June.*

### **Other Public Transport**

- Bus operators within the region are using greater numbers of low emission buses. However, these are not in sufficient numbers to meet the stringent requirements for Clean Air Zones. This is partly because the funding for modifications for buses is less than for vans or taxis.
- Measures to control the spread of the Covid-19 virus include social distancing and wearing of face masks in enclosed spaces. Social distancing has meant the capacity of sustainable public transport has been significantly reduced.
- The Metro is currently accessible to 40% of the Tyne and Wear population with bus use per household the highest in England outside London.
- Most transport operators are now very good at communicating with customers, particular via social media.
- Transport operators are improving arrangements to allow users to purchase tickets seamlessly across all modes of transport and operators.
- *The Government’s National Bus Strategy promotes Local Transport Authorities working in Enhanced Partnership with operators to access funding to assist with market recovery from the pandemic: this may be a requirement.*

### **Covid-19**

- Due to the Covid-19 virus the public use of sustainable public transport, although increasing, has not returned to pre-Covid 19 levels. People are either staying at home e.g. working from home or are seeking either the car or walking/cycling as alternative safer modes of transport where possible.
- During the Covid-19 lockdown public funding e.g. central government funding has been provided to support sustainable transport services e.g. buses, Metro, however it is uncertain in the longer term if this funding is to continue and if user numbers/income do not return to pre Covid-19 levels quickly then this may result in fewer sustainable public transport services being offered. The government is currently providing funding to support the Metro however it is seeking to cease this as soon as possible. To this end it has asked for plans to be developed which allow the Metro to be self sustainable post Covid

so its services match its income.

- *The current relaxation of Covid-19 restrictions should help to reduce these pressures in the near future.*

### **Transport Network**

- East-west connectivity from the region is slow via road and rail

### **Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls**

- The JTC has received £2.262m from Tranche 1 of the Department for Transport's Emergency Active Travel Fund. The funding has been used to install 'pop up' measures to support and encourage the increase in cycling and walking experienced during lockdown.
- The JTC has received Tranche 2 of the Emergency Active Travel Fund, £15.7m to install an ambitious programme of measures to reallocate road space to cycling and walking.
- Funding from the Transforming Cities Fund has recently been awarded to the JTC for delivery of transport schemes within the north east. This has, via Tranche 1, provided to the JTC capital funding for schemes to encourage travel by bus, cycling and walking. Urban traffic management centres have been expanded to manage traffic and provide bus prioritisation. The £198.483m received for Tranche 2 will be used to deliver 27 transformational schemes that will improve the frequency and reliability of the Metro, speed up urban buses, make rail services more reliable, extend the cycling network and improve Park and Ride facilities.

### **Current Controls:**

#### **Rail**

- *A Rail strategy for the North East is under development, including a focus on bids to Restoring Your Railways Fund for Leamside Line, Bensham Curve (Team Valley – Chester le Street ), Cobalt/Silverlink (Tyne and Wear Metro extension), Gilsland Station, Enhanced service between Newcastle and Berwick and Belford Station*

#### **Other Public Transport**

- Nexus are in the process of upgrading the Metro' infrastructure and rolling stock to provide improved services and reliability.
- Local councils continue to contribute to a transport levy to the Joint Transport Committee to fund concessionary fares schemes and subsidies for bus services in the region and the Tyne and Wear Metro service. However due to financial pressure on councils this has remained fairly static over recent years. This, together with the reduced use of public transport due to Covid- 19, the demand for increases in subsidies may rise if current service levels are to be maintained otherwise fares may have to rise
- As part of a Bus strategy for the North East, a forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.

#### **Central and Local Government Policy**

- 19 JTC members, Transport North East officers supporting the JTC and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), Northern Transport Acceleration

Council (NTAC) to:

- ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and;
- persuade government to make transport funding a priority.

### **Transport Network**

- Projects have recently been completed to enhance accessibility e.g. opening of new railway station at Horden, road improvements to ease congestion and improve traffic flow, resulting in more reliable journey times, delivery of 'pop up' cycling and walking schemes funded by Emergency Active Travel Fund.
- The Transport Strategy Unit at the JTC carry out research to get a better understanding of needs of users and potential users.

### **Transport Plan**

- A North East Transport Plan has been adopted by the JTC. One of the Plan's objectives is to achieve appealing sustainable transport choices. The Transport Plan is accompanied by an Intervention Plan which sets out how objectives will be achieved.
- The North East Transport Plan sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the ask to central Government.

### **Active Travel**

- Local Authorities have also developed schemes to improve cycling and walking infrastructure. There are a number of cycling schemes in the Local Growth Fund Local Sustainable Transport Fund (LSTF) capital package.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<b>Rail</b>	
Continue to make the case to government for urgent investment in the East Coast Main Line	Managing Director, Transport North East
Planned activity to deliver the North East Transport Plan projects to achieve one of the Plan's objectives to achieve appealing sustainable transport choices is to be delivered in line with timescales.	Managing Director, Transport North East
<i>Regional response to LNER formal consultation on May 2022 East Coast Mainline Timetable change to reflect JTC members views.</i>	<i>Managing Director, Transport North East</i>
<i>Continue to progress Rail strategy.</i>	<i>Managing Director, Transport North East</i>
<b>Other Public Transport</b>	
Capital projects funded by TCF Phase 2 to be delivered in line with timescales	Managing Director, Transport North East
As Part of the Bus strategy for the North East, JTC are working with North East Bus Operators to complete development of 'local bus partnership' to, in the longer term, improve the bus work network for the community.	Managing Director, Transport North East
<i>Continue to progress Bus strategy.</i>	<i>Managing Director, Transport North East</i>

## **Active Travel**

*Unallocated Active Travel Fund Tranche 2 to be used for a programme for Summer 2021 to capitalise on move to cycling and walking during lock down and staycations. The programme will be based around:*

- *Get Active day out Travel itineraries;*
- *Maps of the cycling and walking network;*
- *Cycling skills roadshows, interactive workshops and promotion of the programme.*

*The programme is aimed to support all of the objectives of the Transport Plan.*

*Managing Director,  
Transport North East*



<p><b><u>5 Safety and Security</u></b></p> <p>The transport system within the JTC area fails to achieve the planned outcomes regarding its safety and security</p>	<p><b><u>Risk Owner</u></b></p> <p>Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p>Amber 8</p>
	<p>Likelihood – Low 2 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <p><i>Transport Network</i></p> <ul style="list-style-type: none"> <li>• Lack of understanding, when developing the transport network, of what users and potential users consider to be important when considering safety and security aspects.</li> <li>• Poor design of transport infrastructure regarding safety and security of users and employees providing public transport services e.g. road layouts, traffic management e.g. speed limits, safety features on rail/Metro rolling stock and buses, lack of segregation between road users e.g. cars, lorries and cyclists, lack of street lighting or CCTV etc.</li> <li>• Competing priorities may compromise safety and security e.g. quicker journey times for vehicles and protection of pedestrians, cyclists.</li> <li>• Lack of funding to incorporate the appropriate relevant safety and security features to protect all users of the transport network and provide assurance to them</li> <li>• Lack of awareness of, or unwillingness of transport system users e.g. vehicle drivers, pedestrians, cyclists, rail/Metro users to abide by, rules designed to protect them when travelling e.g. highway code, user guidance/warning notices at stations</li> <li>• Poor maintenance of transport infrastructure and vehicles leading to accidents and failures in systems to protect transport users. This could be due to poor maintenance regimes or lack of adequate funding.</li> </ul> <p><i>Public Transport</i></p> <ul style="list-style-type: none"> <li>• Safety incidents on public transport reported in the media can impact on how the public feels regarding levels of safety on public transport.</li> </ul>	
<p><b>Potential Impact/Consequence:</b></p> <ul style="list-style-type: none"> <li>• Current rate of death and injuries will not be reduced</li> <li>• Fear of use of public transport with consequent impact on air quality, congestion, and inequality e.g. if residents are too concerned to travel then this could limit job opportunities and access to further education.</li> <li>• Improvements in health will not be achieved e.g. Potential 'active travel' users will not transfer due to fears re safety and security.</li> </ul>	
<p><b>Likelihood:</b></p> <p><b>Factors outside of JTC Control</b></p> <p><i>Central Government Policy</i></p> <ul style="list-style-type: none"> <li>• UK government law and guidance puts an onus on both transport providers, transport user, councils and other transport stakeholders regarding safety and security.</li> </ul>	



- In July 2020 Government published their cycling and walking plan ‘Gear Change; a bold vision for cycling and walking.’ The document sets out actions required by government to make England a great cycling and walking nation. Actions are grouped under 4 themes:
  - better streets for cycling and people;
  - cycling and walking at the heart of decision-making;
  - empowering and encouraging local authorities;
  - enabling people to cycle and protecting them when they do.
- The UK government has also provided funding to provide bike maintenance and cycling classes.
- In 2019 the UK government started a 2-year initiative to reduce road deaths and injuries.

### **Covid-19**

- The possibility of Covid-19 transmission when using public transport network together with the need to maintain social distancing rules has meant reduced numbers using public transport. Cars, motorcycles and active travel become more attractive to use however new users may not have the skills and knowledge to keep themselves and others safe.

### **Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls**

#### **Active Travel**

- Funding from the Transforming Cities Fund has recently been awarded to the JTC for delivery of transport schemes within the north east. This has provided to the JTC capital funding for schemes to improve and extend dedicated cycling networks and improved walking infrastructure.
- Post Covid-19 pandemic the Government has announced a £250 million emergency active travel fund which is to be used in part to provide initially pop-up measures to create a safer environment for walking and cycling in England. Approximately £2.62m is available to the JTC from Tranche 1 of the fund and is to be spent on schemes that meaningfully alter the status quo on the road to allocate space to cyclists and pedestrians.
- The JTC has Received Tranche 2 of the Emergency Active Travel Fund, £15.7m to install an ambitious programme of measures to reallocate road space to cycling and walking.
- Councils have received government guidance e.g. ‘Working Together to Promote Active Travel’, National Planning Policy Framework which encourages them to shape and create an environment to encourage active travel via a basket of measures e.g. via planning process to allow the built environment to encourage cycling/walking; 20 mph speed limit zones; improving infrastructure for cycling; good street lighting; road crossing points etc.
- Councils issued in May 2020 with statutory guidance requiring Councils to reallocate road space to allow the increase in the number of cyclists and pedestrians.

#### **Current Controls:**

#### **Central and Local Government Policy**

- JTC members, Transport North East officers supporting the JTC and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), (Northern Transport Acceleration Council (NTAC) to:
  - ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and,

- persuade government to make transport funding a priority.

### **Public Transport including Rail**

- Nexus continues to operate legally required safety management systems for buses, Metro and the Ferry accredited by relevant enforcement agency. They include compliance with robust engineering standards, liaison with police re anti-social behaviour, security patrols, use of CCTV, promoting a safety and security culture and development of security plans for individual Metro stations and the Metro as a whole.
- A new Customer Support Team has been deployed across the Metro system to address
- customer concerns about security and to tackle anti-social behaviour.
- Nexus are currently completing a programme of Metro infrastructure improvements and are starting a programme of replacing its rolling stock.

### **Covid 19**

- Since the easing of lockdown due to the Covid-19 pandemic, measures have been put in place by Nexus, bus and rail companies to ensure that public transport is a safe and secure environment for people to travel, e.g. passengers are required to wear face-coverings on all public transport. Public transport providers in the North East are meeting the Government's Covid-secure standard for public transport. Promotion of public transport that the network is Covid-secure to encourage public transport use is starting e.g. Nexus have website explaining what measures are in place.

### **Transport Plan**

- A North East Transport Plan has been adopted by the JTC. One of the Plan's objectives relates to the safety and security of the transport network. The Transport Plan is accompanied by an Intervention Plan which sets out how objectives will be achieved.
- The North East Transport Plan sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the ask to central Government.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<b>Active Travel</b>	
Delivery of projects funded by Emergency Active Travel Fund. Projects will provide improvements for pedestrians and cyclists and will support the increase in cycling and walking experience during the pandemic.	Managing Director, Transport North East
<i>Unallocated Active Travel Fund Tranche 2 to be used for a programme for Summer 2021 to capitalise on move to cycling and walking during lock down and staycations. The programme will be based around:</i> <ul style="list-style-type: none"> <li>• <i>Get Active day out Travel itineraries;</i></li> <li>• <i>Maps of the cycling and walking network;</i></li> <li>• <i>Cycling skills roadshows, interactive workshops and promotion of the programme.</i></li> </ul> <i>The programme is aimed to support all of the objectives of the Transport Plan.</i>	<i>Managing Director, Transport North East</i>
<b>Public Transport including Rail</b>	
Capital projects funded by TCF Phase 2 to be delivered in line with timescales	Managing Director, Transport North East

<i>Transport Plan</i>	
<i>Planned activity to deliver the North East Transport Plan projects to achieve one of the Plan's objectives regarding the safety and security of the transport network is to be delivered in line with timescales.</i>	<i>Managing Director, Transport North East</i>

## JTC Organisation Risks

### 1 Future Availability of Funding

Sources and levels of funding available to the JTC to develop the North-East regions transport infrastructure within the region may reduce.

#### Risk Owner

Head of Paid Service (for Transport)

#### Risk Score

Amber 8

Likelihood – Low 2

Impact – Critical 4

### Possible Cause(s):

#### *Central Government Policy*

- A downturn in the UK economy for whatever reason, e.g. the Covid-19 pandemic has caused a financial recession, may cause the UK government to reduce funds available for the development of transport infrastructure as part of expenditure cutting exercises nationally, as a means of redressing public finances.
- Uncertainty around the nature and level of future capital funding streams from Government. Some current government funding regimes are ceasing e.g. Local Growth Fund. The UK Shared Prosperity Fund (UKSPF) is likely to replace former funding streams beyond 2022, however the consultation document expected from Government is delayed and therefore the future funding opportunities, both capital and revenue, are uncertain at this time. The longer the delay the greater the chance of a gap between the end of previous funding streams (2020) and the introduction of the UKSPF (current earliest start date April 2022) and the greater uncertainty.
- A change in UK government transport policy, may mean:
  - Government policy may not be aligned to support the transport developments and needs of the North East region. This may have an adverse effect on the achievement of transport goals in the North East e.g. transport funding to be concentrated in only certain geographic areas excluding the North East or certain types of transport scheme e.g. rail not road which may not be in line with JTC plans, and/or,
  - Government funding may be such that major transport projects may be unable to be funded e.g. the time limit put on the length of project funding may mean major projects may not meet funding criteria as projects cannot be completed within relevant time limits.
- There is a possibility that the range of funding opportunities and/or flexibilities available to non-mayoral Combined Authorities, e.g. NECA, may be limited in the future by the UK government making funding being conditional on Combined Authorities having a specific governance model.

### Potential Impact/Consequence:

The JTC would not be able to deliver projects to either maintain infrastructure to ensure adequate public transport services are maintained or to improve infrastructure to enhance transport services. This would hinder future economic growth within the region.

## Likelihood:

### Factors outside of JTC Control

#### Central Government Policy

- In late 2020 the government announced that the UKSPF will, from April 2022, provide funding for development programmes and is intended to replace the European funding (no longer available to the UK) and the Local Growth Fund. Government has stated that funding for the UKSPF will ramp up so that total domestic UK-wide funding could provide funding up to £1.5 billion annually however details have yet been provided e.g. total amount, amounts to be devolved to regions, competitive bidding, outputs, eligibility criteria, or clarity around match funding.
- A £4 billion 'Levelling Up' Fund for England has been announced by the government which will be used to invest in local infrastructure, including transport projects, to drive economic growth and regeneration. It will allocate fund on a competitive bid basis. £600 million is available during 2021/22. Projects need to be delivered within the current Parliament.
- The government has also published the outcome of a review of its investment decision-making approach, i.e. its 'Green Book', which is designed to ensure that government funding/investment decisions are made in a way that spreads opportunity across the UK and supports the levelling up agenda.
- A potential share of a UK government devolved funding pot, the Intracity Transport Fund, for local transport of £4.2bn over five years from 2022 is being made available. This is to be shared by eight city regions across England, including Tyne and Wear, subject to appropriate governance being in place. However specific details are unknown e.g. amount allocated.
- The government is setting up a UK Infrastructure Bank. Its objective is to help deliver the UK's net zero carbon target and support regional and local economic growth by offering low cost finance e.g. to councils.
- *Zero Emission Bus Regional Areas (ZEBRA): A competitive grant programme has been launched for schemes of up to £35m to support zero emission buses.*

### Factors within control of JTC, its members and its partners eg Nexus, NELEP, and Current Controls

#### Current Controls:

#### Central and Local Government Policy

- JTC members, NECA officers supporting the JTC and partners of the JTC e.g. local councils continue to lobby and engage with the UK government at national and subnational level i.e. Transport for the North (TfN), Northern Transport Acceleration Council (NTAC) to:
  - ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and,
  - persuade government to make transport funding a priority.
- JTC work with other potential partners to identify new non-government funding sources which may help to progress the delivery of the JTC transport plans.

#### Transport Plan

- The North East Transport Plan adopted by the JTC, which is evidence based and describes out how transport needs will be addressed taking into account relevant government policies, sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the 'ask' to central Government.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
<i>Central and Local Government Policy</i>	
JTC Members and Officers, together with its partners eg Councils continue to lobby government for resources financial resources to enable delivery of the North East Transport Plan.	Managing Director, Transport North East

<p><b>2 <u>Funding Opportunities</u></b></p> <p>Failure of the JTC to secure the maximum amount of transport funding available to progress transport infrastructure in the North East region.</p>	<p><b><u>Risk Owner</u></b> Head of Paid Service (for Transport)</p> <p><b><u>Risk Score</u></b></p> <p><b>Amber 8</b></p> <p>Likelihood – Low 2 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <ul style="list-style-type: none"> <li>• Funding opportunities are missed due to lack of awareness or missing relevant deadlines.</li> <li>• Poor quality of funding applications made by JTC.</li> <li>• Funding may be made available through a competitive process. Strong applications from funding competitors may result in any funding application not being successful at all or only a proportion of the funds applied for being awarded.</li> </ul>	
<p><b>Potential Impact/Consequence:</b></p> <p>If opportunities are missed or not maximised by the JTC then progression of plans to deliver the transport improvements required by the region will be significantly delayed. Consequently, the benefits associated with the transport will not be fully realised or delayed e.g. supporting economic growth.</p>	
<p><b>Likelihood:</b></p> <p><b>Current Controls:</b></p> <ul style="list-style-type: none"> <li>• JTC officers' horizon scan to identify upcoming funding opportunities.</li> <li>• JTC are in regular contact with the UK government and other funding bodies to identify funding opportunities early.</li> <li>• JTC has established relationships with other bodies at a sub national (e.g. TfN) and local level e.g. councils, universities etc to allow the JTC to work in partnership, where applicable, to exploit funding opportunities by submitting bids for transport funding to benefit the region.</li> <li>• JTC and its partners lobby relevant government bodies to persuade transport infrastructure schemes required for the North East to be included in key government schemes.</li> <li>• The Managing Director, Transport North East and officers of the Transport Strategy Unit (TSU) have experience, skills and knowledge to submit strong bids for funding. They are familiar with the requirements needed for submitting bids and the process to go through.</li> <li>• All projects included in a bid are subject to scrutiny using the TSU's 'Transport Assurance Framework' to ensure the proposed projects are in line with the JTC objectives and plans and meet the bid criteria.</li> <li>• During any application process the TSU liaises with the provider to understand clearly what it is looking for.</li> <li>• A significant proportion of funding available for transport projects is through a competitive process.</li> </ul> <p><b>Transport Plan</b></p> <ul style="list-style-type: none"> <li>• The North East Transport Plan has been adopted by the JTC, which is evidence based and describes how transport needs will be addressed taking into account relevant</li> </ul>	

government policies, sets out an ambition for £6bn of transport infrastructure investment in the North East and will form the basis of the 'ask' to central Government.

Further Mitigating Actions	Lead Officer(s)
<i>Transport Plan</i>	
As part of the delivery of the North East Transport Plan, a 'project pipeline' is to be maintained. As part of this work each project will be assessed using the JTC's 'Transport Assurance Framework' to ensure each planned project has a strong business case and will help meet the transport needs of the region.	Managing Director, Transport North East



<b>3 <u>Use of Funding and Resources</u></b>  Funding secured for transport initiatives within the North-East region by the JTC and its partners may not be able to be used on a timely basis or may not be sufficient to complete intended projects or maintain adequate levels of service delivery.	<b><u>Risk Owner</u></b> Head of Paid Service (for Transport)
	<b><u>Risk Score</u></b>
	Amber 8
	Likelihood – Low 2 Impact – Critical 4
<b>Possible Cause(s):</b> <ul style="list-style-type: none"> <li>• Poor project management.</li> <li>• Inaccurate assessment of projects costs when submitting funding bids.</li> <li>• Delays and costs for a project due to unforeseen events.</li> <li>• Lack of understanding of funding conditions including timescales.</li> <li>• Insufficient capacity and skills to manage projects.</li> <li>• Fraud and corruption.</li> </ul>	
<b>Potential Impact/Consequence:</b> <ul style="list-style-type: none"> <li>• Transport projects may not be completed or have to be delayed or the size of project reduced e.g. quality, quantity which may result in intended benefits not being realised and damage to the reputation of the JTC.</li> <li>• If the funding is not used by a deadline then funding may be lost.</li> <li>• Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans.</li> </ul>	
<b>Likelihood:</b>  <b><i>Current Controls:</i></b> <ul style="list-style-type: none"> <li>• The Managing Director, Transport North East and officers of the Transport Strategy Unit (TSU) have experience, skills and knowledge to submit strong bids for funding. They are familiar with the requirements needed for submitting bids and the process to go through.</li> <li>• All projects included in a bid are subject to scrutiny using the TSU's 'Transport Assurance Framework' to ensure the proposed projects is in line with the JTC objectives and plans and meets the bid criteria.</li> <li>• Projects delivered by the JTC directly are managed using recognised project management principles. The TSU has the experience and skills to manage projects.</li> <li>• Where projects are delivered by the JTC's partners e.g. Nexus, the JTC has arrangements in place to gain assurance that the projects are progressing as expected and where not, corrective actions are being taken to effectively manage the key issues e.g. regular reporting by partners.</li> <li>• Where transport projects are to be delivered by an external supplier then any work let is</li> </ul>	

<p>subject to a competitive procurement process.</p> <ul style="list-style-type: none"> <li>• Where funding is provided through the JTC to third parties to deliver a transport project all third parties have a funding agreement in place which includes the need for the third party to provide details as to progress regarding costs and progress of the project. JTC officers monitor progress on an ongoing basis.</li> <li>• Funding providers provide clear conditions as to the use of funds which is published to all relevant stakeholders.</li> <li>• JTC officer are subject to relevant codes of conduct.</li> </ul>	
Further Mitigating Actions	Lead Officer(s)
<i>Plans and Programme Review</i>	
<p>Delivery plans and programmes are to be kept under review in light of any issues which may affect funding secured to be used on a timely basis or may mean secured funding may not be sufficient to deliver the intended programmes. Appropriate prompt action is taken to address issues which may arise.</p>	<p>Managing Director, Transport North East</p> <p>NECA Chief Finance Officer</p>

<p><b>4 Governance Arrangements</b></p> <p>The governance arrangements of the JTC are not appropriate to allow effective and timely decision making and the achievement of its objectives</p>	<p><b><u>Risk Owner</u></b> Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p>Green 4</p>
	<p>Likelihood – Negligible 1 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b> New organisational arrangements have been put in place as a result of the North East Combined Authority's decision not to proceed with a Mayoral Combined Authority in September 2016 and the withdrawal of the devolution deal. Two new Combined Authorities have been established together with the North-East Transport Committee being responsible for regional transport which is accountable to the new Combined Authorities. As a result, new governance arrangements may not be effective due to:</p> <ul style="list-style-type: none"> <li>• Lack of capacity to support the governance arrangements.</li> <li>• Lack of clarity of roles and responsibilities.</li> <li>• Lack of development of new working arrangements or delays in implementing proposed changes.</li> <li>• Priorities not aligned to new arrangements.</li> </ul>	
<p><b>Potential Impact/Consequence:</b></p> <ul style="list-style-type: none"> <li>• Poor decisions may be made which are not in the interest of the North-East region.</li> <li>• Decisions may be delayed, not taken at the appropriate level or not based on the correct information.</li> <li>• Lack of clarity of roles and responsibilities may lead to the JTC not adequately fulfilling its statutory functions adequately, not monitoring its finances, having a lack of clarity over its objectives, not ensuring adequate transport services delivered to the public and improvements in transport infrastructure not being delivered. This may lead to having a poor reputation, losing out on funds, poor value for money being achieved and poor transport service provision.</li> </ul>	
<p><b>Likelihood:</b></p> <p><b>Current Controls:</b></p> <ul style="list-style-type: none"> <li>• All 7 LAs continue to support the JTC and its activities.</li> <li>• The JTC has its own Standing Orders outlining its functions and that of its sub committees, its rules of procedure and the roles of statutory officers. Decisions at committee meetings are based on a majority vote basis although the aim is to have a consensual approach whereby all committee members agree on any decision.</li> <li>• The statutory role of 'Proper Officer for Transport' was established by the Statutory Order.</li> <li>• A Delegation Scheme for the Proper Officer for Transport has been adopted. This allows prompt decision making to be made where necessary within certain limits (i.e. financial, subject to JTC internal rules e.g. financial procedures etc) and where appropriate requiring the involvement of other JTC statutory officers.</li> <li>• A JTC Chief Executive Transport Strategy Board is in place which strengthens the decision making by providing challenge and scrutiny regarding reports being submitted to the JTC.</li> <li>• A Statutory Officer Oversight Group is in place to oversee procurement, legal, financial</li> </ul>	

- and other management issues relating to JTC operations.
- Service Level agreements are in place for support services provided to the JTC.

Further Mitigating Actions	Lead Officer(s)
Review of roles, responsibilities, and arrangements regarding the activities of the Transport Strategy Unit including business planning, performance management, project assurance, overseeing of delivery programmes etc. and implementation of revised arrangements.	Managing Director Transport North East  Monitoring Officer

<p><b>5. Operational Capacity and Resourcing</b></p> <p>The JTC does not have the necessary operational capacity, skills and budget, to successfully deliver the Committee's objectives and plans.</p>	<p><b><u>Risk Owner</u></b> Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p><b>Amber 8</b></p>
	<p>Likelihood – Low 2 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <ul style="list-style-type: none"> <li>• Due to two Combined Authorities operating within the North-East region rather than one, by statutory order the JTC was formed to carry out the transport function responsibilities of the two Combined Authorities. NECA is the accountable body for the new JTC and has extra responsibility for implementing the decisions of the JTC, providing support to the JTC committees and managing the JTC's finances. It is uncertain how much resource will be needed by NECA officers and committee members moving forward therefore the current budget may be insufficient.</li> <li>• Statutory officers to NECA, the accountable body for the JTC, need to carry out duties for their main employer in addition to their roles in NECA which may result in capacity issues. Likewise, the Managing Director, Transport North East fulfil two roles, one for the JTC and one for Nexus. Support services provided to NECA and the JTC are provided from Council's which are part of NECA</li> <li>• Increased demand for, and changes in the nature and scope of, work re transport policy, funding bid submission and programme delivery</li> </ul>	
<p><b>Potential Impact/Consequence:</b></p> <p>Decisions may be delayed, or incomplete information provided as part of the decision-making process. Functions may not be carried out as quickly or as fully as they should be leading to loss of money, incorrect decisions, delay in development of transport policies and funding bids, weakened oversight re the delivery of transport programmes, and loss of credibility of JTC.</p>	
<p><b>Likelihood:</b></p> <p><b>Current Controls:</b></p> <ul style="list-style-type: none"> <li>• All statutory officers in NECA, accountable body for the JTC are in place. Deputy statutory officers are also in place for NECA.</li> <li>• The 'Proper Office for Transport' to the JTC is in place.</li> <li>• Representatives from the 7 councils in the North-East area have been appointed to the JTC and the Tyne Wear Sub Committee. Deputies have also been appointed.</li> <li>• The JTC have adopted a budget for 2021/22 to deliver JTC activities.</li> <li>• The Transport Strategy Unit, with officers now employed by NECA and located centrally, is in place to support the delivery of the JTC objectives.</li> <li>• Partners continue to provide input to the work of the JTC via, for example, Council transport leads.</li> <li>• Where appropriate, external consultants, are employed to provide specialist expertise to support the work of the JTC and to protect its interests e.g. advice in respect of possible changes to the contract to manage and operate the Tyne Tunnel services.</li> </ul>	

- A further finance officer has been employed by NECA to help meet the extra demands of NECA as the Accountable Body for the JTC. Likewise, administration support has been enhanced for the TSU.
- A Tyne Tunnels Manager has been employed by NECA with responsibility to the JTC.
- A Transport North East Strategy Director has been employed to lead the Transport Strategy Unit developing long term transport policies, plans, analytical models and business cases to ensure that the North East's transport networks achieve the shared objectives and goals of NECA, NoTCA, their constituent councils and the North East Local Enterprise Partnership.
- Approval has been given by the Transport Strategy Board for the appointment of programme management resources to coordinate the delivery of the Transforming Cities Fund Tranche 2 programme – has this progressed?
- Service Level Agreements are in place for support services provided to the JTC.

Further Mitigating Actions	Lead Officer(s)
As part of a current review of roles, responsibilities, and arrangements regarding the activities of the Transport Strategy Unit an assessment is being made of its role and the capacity and skills required to meet the role e.g. communications, programme management.	Managing Director Transport North East
As the new JTC arrangements are embedded a review is to be made of the effectiveness of the support provided to the JTC to ensure they are adequate.	NECA Chief Finance Officer  Managing Director Transport North East  Monitoring Officer

<p><b>6 <u>Delivery of Transport Improvement Projects/Programmes</u></b></p> <p>Projects which are funded through the JTC are delayed, are significantly overspent or do not deliver the intended product to meet the identified transport need.</p>	<p><b><u>Risk Owner</u></b> Head of Paid Service (for Transport)</p>
	<p><b><u>Risk Score</u></b></p>
	<p><b>Amber 8</b></p>
	<p>Likelihood – Low 2 Impact – Critical 4</p>
<p><b>Possible Cause(s):</b></p> <ul style="list-style-type: none"> <li>• Poor programme/project management.</li> <li>• Inaccurate assessment of projects costs when submitting funding bids.</li> <li>• Delays and costs for a project due to unforeseen events.</li> <li>• Insufficient capacity and skills to manage projects.</li> <li>• Fraud and corruption.</li> </ul>	
<p><b>Potential Impact/Consequence:</b></p> <ul style="list-style-type: none"> <li>• Transport projects may not be completed or have to be delayed or the size of project reduced e.g. quality, quantity which may result in intended benefits not being realised and damage to the reputation of the JTC.</li> <li>• If the funding is not used by a deadline then funding may be lost.</li> <li>• Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans.</li> </ul>	
<p><b>Likelihood:</b></p> <p><b>Current Controls:</b></p> <ul style="list-style-type: none"> <li>• The Managing Director, Transport North East and officers of the Transport Strategy Unit (TSU) have experience, skills and knowledge to submit strong bids for funding. They are familiar with the requirements needed for submitting bid and the process to go through.</li> <li>• All projects included in a bid are subject to scrutiny using the TSU's 'Transport Assurance Framework' to ensure the proposed projects is in line with the JTC objectives and plans and meets the bid criteria.</li> <li>• Projects delivered by the JTC directly are managed using recognised project management principles. The TSU has the experience and skills to manage projects.</li> <li>• Where projects are delivered by the JTC's partners e.g. Nexus, the JTC has arrangements in place to gain assurance that the projects are progressing as expected and where not, corrective actions are being taken to effectively manage the key issues e.g. regular reporting by partners.</li> <li>• Where transport projects are to be delivered by an external supplier then any work let is subject to a competitive procurement process.</li> <li>• Where funding is provided through the JTC to third parties to deliver a transport project all third parties have a funding agreement in place which includes the need for the third party to provide details as to progress regarding costs and progress of the project. JTC officers monitor progress on an ongoing basis.</li> </ul>	

- Funding providers provide clear conditions as to the use of funds which is published to all relevant stakeholders.
- JTC officers are subject to relevant codes of conduct.
- Internal Audit have received the project management arrangements for the JTC.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
Monitoring of the delivery of the overall JTC programme of projects should be carried out on a regular basis.	Managing Director Transport North East
Programme management and governance structures within the JTC and TSU are to be reviewed and developed to ensure they remain fit for purpose particularly in light of successful funding bids e.g. Transforming Cities Fund.	Managing Director Transport North East



<b>7 Transport Infrastructure Assets</b>  Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained	<b><u>Risk Owner</u></b> Head of Paid Service (for Transport)
	<b><u>Risk Score</u></b>
	Green 6
	Likelihood – Low 2 Impact – Significant 3
<b>Possible Cause(s):</b> <ul style="list-style-type: none"> <li>• Lack of awareness of the existence of the asset.</li> <li>• Lack of clarity as to who has responsibility for the management and maintenance of the assets.</li> <li>• Lack of clarity as to standards required.</li> <li>• Lack of resources to maintain the assets.</li> </ul>	
<b>Potential Impact/Consequence:</b> <ul style="list-style-type: none"> <li>• Greater financial resources may be needed to rectify faults arising from poor maintenance.</li> <li>• Failures in transport infrastructure assets may affect services delivered to transport users leading to disruption and complaints and a drop in usage. If the funding is not used by a deadline then funding may be lost.</li> <li>• Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans.</li> </ul>	
<b>Likelihood:</b>  <b>Current Controls:</b> <ul style="list-style-type: none"> <li>• JTC's constitution makes it clear it has overall responsibility and oversight for transport infrastructure assets owned by NECA and North of Tyne Combined Authority.</li> <li>• The JTC holds a record of assets it is responsible for.</li> <li>• Responsibility for the maintenance of assets and the standards required are included in the relevant agreements with third party providers e.g. TT2 Ltd. As part of the agreement reports need to be submitted to JTC to gain assurance the relevant maintenance is being carried out.</li> <li>• A Tyne Tunnels Manager has been employed by NECA with responsibility to the JTC. The post has oversight of the performance of third-party providers e.g. TT2 Ltd operating the Tyne Tunnels.</li> </ul>	
<b>Further Mitigating Actions</b>  As part of a current review of roles, responsibilities, and arrangements regarding the activities of the JTC and the Transport Strategy Unit an assessment is being made of the capacity and skills within the JTC to carry out its contract management responsibilities.	<b>Lead Officer(s)</b>  Managing Director Transport North East

<b>8 Service Delivery</b> Inadequate arrangements are in place to ensure that adequate levels of public transport services, for which the JTC has oversight, are maintained by the JTC's transport delivery partners.	<b><u>Risk Owner</u></b> Head of Paid Service (for Transport)
	<b><u>Risk Score</u></b>
	Green 6
	Likelihood – Low 2 Impact – Significant 3
<b>Possible Cause(s):</b> <ul style="list-style-type: none"> <li>• Lack of clarity as to the responsibilities and duties regarding the oversight of public transport services within the region.</li> <li>• Failure to appreciate the impact of maintaining adequate levels of transport services on the economic well-being and reputation of the region.</li> <li>• Lack of resources and/or expertise to put in place effective arrangements to ensure adequate levels of transport services are provided.</li> </ul>	
<b>Potential Impact/Consequence:</b> <ul style="list-style-type: none"> <li>• Loss of confidence by stakeholders, e.g. government in the JTC's ability to meet its responsibilities.</li> <li>• Loss of confidence by users of services.</li> <li>• Without oversight by the JTC, public transport providers e.g. Nexus, may not provide the required services resulting in less use of public transport and greater congestion on the roads, which is contrary to the aims and objectives of the JTC.</li> </ul>	
<b>Likelihood:</b>  <b>Current Controls:</b> <ul style="list-style-type: none"> <li>• JTC's constitution makes it clear it has overall responsibility and oversight for certain statutory public transport services.</li> <li>• JTC committees i.e. Leadership Board and Tyne Wear Sub Committee receive regular reports as to the level of public transport services provided by the JTC's partners e.g. Nexus, Durham County Council, Northumberland County Council, TT2Ltd.</li> <li>• The Managing Director, Transport North East appointed by the JTC is also Statutory Director General of Nexus, a key delivery partner to the JTC.</li> <li>• Approval of appointees to the Nexus Executive Board of Directors is the responsibility of the JTC's TWSC. 4 Non-Executive Directors are on the Nexus Executive Board which strengthens oversight arrangements.</li> <li>• Both NECA and NoTCA have representation both on Transport for the North's (TfN) Rail North committee which has oversight of Northern Rail and TPE's services, and on the TfN Board which governs TfN's investment programmes and its interfaces with national delivery partners (Network Rail and Highways England).</li> </ul>	
<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
An assessment needs to be made by the JTC of its arrangements to gain assurance that issues with transport service delivery	Managing Director Transport North East

causing poor service to the public faced by transport providers e.g. Nexus, are being addressed effectively.

## **9 'Catastrophic Event'**

Inadequate arrangements are in place should a 'catastrophic' event occur which seriously impacts the transport system in the North East. e.g. public health emergency, security incident, infrastructure collapse (e.g. prolonged loss of power, prolonged fuel shortage)

### **Risk Owner**

Head of Paid Service (for Transport)

### **Risk Score**

**Amber 8**

Likelihood – Possible 2

Impact – Critical 4

### **Possible Cause(s):**

- Lack of clarity as to the responsibilities and duties of the relevant stakeholders e.g. JTC, Nexus, councils, Highways England, rail authority and providers etc regarding the oversight of public transport services within the region in the event of a 'catastrophic event'.
- Failure to appreciate and understand the possible catastrophic events that could occur affecting transport system and the consequent impact they may have e.g. inability to get to work.
- Lack of resources and/or expertise to ensure adequate arrangements are in place to respond effectively to a 'catastrophic event' significantly impacting transport activity in the region, and that they are regularly reviewed.

### **Potential Impact/Consequence:**

- Excessive death or people suffering injury
- Economic activity excessively reduced due to inability of employees to carry out employment duties/activity
- Loss of reputation to the region.

### **Likelihood:**

#### **Current Controls:**

- Councils have a legal duty under the Civil Contingencies Act 2004 (CCA) to be prepared and able to respond to any civil emergency occurring within its boundary.
- Within the JTC area all Councils are members of a Local Resilience Forum (LRF) (either Durham or Northumbria) as are the JTC's transport delivery partners i.e. Nexus, Highways England, Network Rail. The LRF allows the effective delivery of the Council's duties under the CCA that need to be developed in a multi-disciplinary environment and enables each Council to develop its understanding of the possible risks it faces, and to take action to address the risk and to plan for civil emergencies and business continuity planning should they occur.
- Providers of public transport services e.g. Nexus have developed their own risk plans, emergency response plans and business continuity plans which will allow them to respond quickly and effectively to a catastrophic event  
TT2 Ltd have risk, emergency response and business continuity plans in place which

would allow them to respond effectively to a catastrophic event. Regular emergency/safety training exercises take place which include North and South Tyneside Councils, Tyne and Wear Fire and Rescue and the other emergency services.

<b>Further Mitigating Actions</b>	<b>Lead Officer(s)</b>
The JTC's own disaster recovery and business continuity arrangements are to be reviewed to ensure they remain fit for purpose.	Managing Director Transport North East

## Risk Analysis Toolkit

Determine the risk priority					
Likelihood	Impact				
		Insignificant	Minor	Significant	Critical
	High	4	8	12	16
	Medium	3	6	9	12
	Low	2	4	6	8
	Negligible	1	2	3	4

Assess the likelihood of the risk event occurring	
High	Risk will almost certainly occur
Medium	Risk is likely to occur in most circumstances
Low	Risk may occur
Negligible	Risk is unlikely to occur

## Assess the impact should the risk occur

	Objective	Service Delivery	Financial	Reputational
Critical/Showstopper Page 61	<ul style="list-style-type: none"> <li>Over half the objectives/programmes affected</li> <li>More than one critical objective affected</li> <li>Partners do not commit to the Shared vision</li> </ul>	<ul style="list-style-type: none"> <li>Significant change in partner services</li> <li>Relationship breakdown between major partners and stakeholders</li> <li>Serious impact on delivery of key transport related investment plans</li> <li>Unplanned major re-prioritisation of resources and/or services in partner organisations</li> <li>Failure of a delivery programme/major project</li> <li>Serious impact on public transport services provided to users</li> </ul>	<ul style="list-style-type: none"> <li>Inability to secure or loss of significant transport funding opportunity (£5m)</li> <li>Significant financial loss in one or more partners (£2m)</li> <li>Significant adverse impact on transport budgets (£3m))</li> </ul>	<ul style="list-style-type: none"> <li>Adverse national media attention</li> <li>External criticism (press)</li> <li>Significant change in confidence or satisfaction of stakeholders</li> <li>Significant loss of community confidence</li> </ul>

Significant	<ul style="list-style-type: none"> <li>One or more objectives/programmes affected</li> <li>One or more partners do not commit to shared vision</li> <li>Significant environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>Partner unable to commit to joint arrangements</li> <li>Recoverable impact on delivery of key transport related investment plans</li> <li>Major project failure</li> <li>Impact on public transport services provided to users</li> </ul>	<ul style="list-style-type: none"> <li>Prosecution</li> <li>Change in notable funding or loss of major transport funding opportunity (£2m)</li> <li>Notable change in a Partners contribution</li> <li>Notable adverse impact on transport budget (£0.5m-£1.5m)</li> </ul>	<ul style="list-style-type: none"> <li>Notable external criticism</li> <li>Notable change in confidence or satisfaction</li> <li>Internal dispute between partners</li> <li>Adverse national/regional media attention</li> <li>Lack of partner consultation</li> <li>Significant change in community confidence</li> </ul>
Minor	<ul style="list-style-type: none"> <li>Less than 2 priority outcomes adversely affected</li> <li>Isolated serious injury/ill health</li> <li>Minor environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>Threatened loss of partner's commitment</li> <li>Minor impact on public transport services provided to users</li> </ul>	<ul style="list-style-type: none"> <li>Minor financial loss in more than one partner</li> <li>Some/loss of transport funding or funding opportunity threatened</li> </ul>	<ul style="list-style-type: none"> <li>Failure to reach agreement with individual partner</li> <li>Change in confidence or satisfaction</li> <li>Minor change in community confidence</li> </ul>
Insignif.	<ul style="list-style-type: none"> <li>Minor effect on priorities/service objectives</li> <li>Isolated minor injury/ill health</li> <li>No environmental impact</li> </ul>		<ul style="list-style-type: none"> <li>Isolated/minor financial impact in a partner organisation</li> </ul>	

## Glossary of Terms

**RAG** – Red/Amber/Green (denoting an assigned performance status)

**Strategic Risk** - relates to those factors that might have a significant effect on the successful delivery of the JTC's objectives, plans, policies and priorities.

**Risk** - A probability or threat of damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities.

**Risk Appetite** - The level of risk that an organisation is prepared to accept in pursuit of its objectives, and before action is deemed necessary to reduce the risk.

**Risk Controls or Control Processes** - are those actions and arrangements which are specifically identified to be taken to lower the impact of the risk or reduce the likelihood of the risk materialising, or both of these.

**Risk Matrix** - a graphical representation of the Risk Severity and the extent to which the Controls mitigate it.

**Risk Owner** - has overall responsibility for the management and reporting of the risk.

**Lead Officer(s)** – given delegated responsibility from the Risk Owner to take action and manage the risk through application of the appropriate risk controls and processes.

**Risk Impact** - indicates the potential seriousness should the risk materialise.

**Risk Likelihood** - indicates the chance of a risk materialising in the time period under consideration.

**Risk Score** - the product of the Impact score multiplied by the Likelihood score.

This page is intentionally left blank



## **Joint Transport Committee – Audit Committee**

**Date:** 16 June 2021

**Subject:** Joint Transport Committee Internal Audit Annual Report 2020/21

**Report Of:** Senior Manager – Assurance, Sunderland City Council

### **Executive Summary**

This report provides a summary of the Internal Audit work undertaken during 2020/21, provides an opinion on the Joint Committee's internal control arrangements, and the performance of Internal Audit against its agreed performance indicators.

The report outlines that during 2021/21 three audits were completed.

Based on the work undertaken, the opinion of the Internal Audit team is that there are good control arrangements in place.

### **Recommendations**

The Audit Committee is invited to consider and, if appropriate, make comment on the proposed Internal Audit Annual Report for 2020/21 which includes the key performance measures for the provision of the service.

## **Joint Transport Committee – Audit Committee**

### **1 Background Information**

- 1.1 In July 2020 the Audit Committee agreed the Internal Audit Plan for 2020/21, which included three audits for completion during the year. The audits were:
- Regional Transport Plan.
  - Contract Management Arrangements – TT2.
  - Transforming Cities Programme.
- 1.2 The audits of the Regional Transport Plan and the Transforming Cities Programme were completed during the year. However, subsequent to the approval of the Audit Plan an additional piece of work was requested in relation to the Covid-19 Bus Services Support Grant, which required a certificate from the internal auditors. The majority of this work was undertaken in June with the final element being completed in November. During the year the Internal Audit team had been required to undertake a significant amount of unplanned work in relation to the Covid 19 outbreak, therefore, in December 2020, the Audit Committee agreed that as three pieces of audit work had been completed for the Joint Transport Committee the audit of Contract Management Arrangements – TT2 would be deferred into 2021/22. This audit was subsequently included within the Audit Plan for 2021/22.

### **2. Proposals**

- 2.1 Appendix 1 provides a summary of the audits undertaken in the last two years, including the audit opinion and the overall opinion for the Risk Area. It can be seen that the majority of the overall opinions are green.
- 2.2 Appendix 2 shows Internal Audit's current performance against the performance indicators; activity directly relevant to JTC is shown where it can be. The response to the Covid 19 outbreak has had a negative impact on the performance in relation to the timeliness of the completion of the audits. Under normal circumstances performance in these areas is usually within target.

### **3. Reason for the Proposals**

- 3.1 The Audit Committee continues to fulfil an ongoing review and assurance role in relation to the governance, risk management and internal control issues of the JTC.

### **4. Next Steps and Timetable for Implementation**

- 4.1 The results of the Internal Audit work for 2020/21 will be included in the Annual report for 2021/22.

## **Joint Transport Committee – Audit Committee**

### **5. Potential Impact on Objectives**

- 5.1 There will not be a direct impact on the JTC's objectives, however the report supports the JTC by providing assurance that the internal control arrangements in place to manage risks are effective or where assurance cannot be given highlighting opportunities for improvement.

### **6. Finance and Other Resources Implications**

- 6.1 There are no financial implications arising from this report other than the agreed fee for the service to be delivered.

### **7. Legal Implications**

- 7.1 There are no legal implications arising specifically from this report.

### **8. Key Risks**

- 8.1 There are no risk management implications from this report.

### **9. Equalities and Diversity**

- 9.1 There are no equalities and diversity implications arising from this report.

### **10. Crime and Disorder**

- 10.1 There are no crime and disorder implications directly arising from this report.

### **11. Consultation /Engagement**

- 11.1 The Head of Paid Service, Monitoring Officer, Chief Finance Officer and the JTC's Proper Officer for Transport have been consulted on the Internal Audit Annual Report 2020/21.

### **12. Other Impact of the Proposals**

- 12.1 The proposals comply with the principles of decision making. Relevant consultation processes have been held where applicable.

### **13. Appendices**

Appendix 1 – Summary of Internal Audit work undertaken during 2020/21.

Appendix 2 – Performance of Internal Audit for 2020/21 where available.

## Joint Transport Committee – Audit Committee

### 14. Background Documents

14.1 JTC Standing Orders.

### 15. Contact Officers

Tracy Davis – Senior Manager – Assurance, Sunderland City Council.

[Tracy.Davis@sunderland.gov.uk](mailto:Tracy.Davis@sunderland.gov.uk)

### 16. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓
- Managing Director, Transport North East (Proper Officer for Transport)✓

## Joint Transport Committee – Audit Committee

### Summary of Internal Audit Work 2020/21

Appendix 1

Page 69

Organisational Risk Areas	Audits 2019/20	Opinion	Audits 2020/21	Opinion	Overall Opinion
Future Availability of Funding					
Funding Opportunities			Regional Transport Plan	S	
Use of Funding and Resources					
Governance Arrangements	Governance Arrangements	S			
Operational Capacity and Resourcing					
Delivery of Transport Improvement Projects/Programmes	Project Management, Procurement and Contract Management Procedures	S	Transforming Cities Fund	M	
Transport Infrastructure Assets					
Service Delivery			Bus Services Grant Claim	S	
Catastrophic Event					

Assurance Level (Opinion) Key:

F – Full   S – Substantial   M – Moderate   L – Limited   N – None

## Joint Transport Committee – Audit Committee

Appendix 2

Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2020/21			
Efficiency and Effectiveness			
Objectives	KPI's	Targets	Progress
1) To ensure the service provided is effective and efficient.	1) Complete sufficient audit work to provide an opinion on the key risk areas identified.  2) Percentage of draft reports issued within 15 days of the end of fieldwork.  3) Percentage of audits completed by the target date (from scoping meeting to issue of draft report).	1) All key risk areas covered over a 3 year period  2) 90%  3) 85%	N/A  Behind target – 66.7%  Behind target – 33.3%

## Joint Transport Committee – Audit Committee

### Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2020/21

Quality			
Objectives	KPI's	Targets	Progress
<p>1) To maintain an effective system of Quality Assurance.</p> <p>2) To ensure recommendations made by the service are agreed and implemented.</p>	<p>1) Opinion of External Auditor</p> <p>2) Percentage of agreed high, significant and medium risk internal audit recommendations which are implemented.</p>	<p>1) Satisfactory opinion</p> <p>2) 100% for high and significant risk. 90% for medium risk</p>	<p>Achieved</p> <p>No follow ups undertaken yet</p>
Client Satisfaction			
Objectives	KPI's	Targets	Progress
<p>1) To ensure that clients are satisfied with the service and consider it to be good quality.</p>	<p>1) Results of Post Audit Questionnaires</p> <p>2) Results of other Questionnaires</p> <p>3) Number of Complaints / Compliments</p>	<p>1) Overall average score of better than 1.5 (where 1=Good and 4=Poor)</p> <p>2) Results classed as 'Good'</p> <p>3) No target – actual numbers will be reported</p>	<p>No Post Audit Questionnaires returned</p> <p>N/A</p> <p>None in year</p>

This page is intentionally left blank