

## Joint Transport Committee Audit Committee

Wednesday, 13th March, 2024 at 10.00 am

Meeting to be held in the Whickham Room - Gateshead Civic Centre

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## AGENDA

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Page No

1. **Apologies for Absence**

2. **Declaration of Interests**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be given to the Democratic Services Officer). Please also remember to leave meeting where any personal interest requires this.

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|----|---|----------------|
| 3. | <b>Minutes of inquorate meeting held 8 November 2023</b>                | <b>3 - 4</b>   |
| 4. | <b>Joint Transport Committee Internal Audit Progress Report 2023/24</b> | <b>5 - 12</b>  |
| 5. | <b>Joint Transport Committee Strategic Risk Register</b>                | <b>13 - 28</b> |

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

8 November 2023, 10am

Meeting held in the Blaydon Room, Gateshead Civic Centre, Regent Street, Gateshead NE8 1HH

### **Present:**

#### **Councillors:**

- K Dawes - South Tyneside Council
- K Mason-Gage - Sunderland City Council
- L Kirton - Gateshead Council

#### **Officers:**

- Tracy Davis - Sunderland City Council
- Eleanor Goodman - Transport North East
- Roddy Currie – Gateshead Council (Monitoring Officer)

## **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from S Green, Cllr T Campion – Newcastle City Council and Cllr A Watson – Durham County Council

Due to the absence of the Committee Chair and Vice-Chair the Committee members present nominated Cllr K Dawes to Chair the meeting.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **3. MINUTES OF MEETING HELD 5 APRIL 2023**

### **RESOLVED:**

- (i) The meeting was not quorate, the minutes of the previous meeting could not be agreed as a correct record.
- (ii) Committee members in attendance noted the Bus Partnership Board Membership appended to the agenda pack for information.

#### **4. JOINT TRANSPORT COMMITTEE INTERNAL AUDIT PROGRESS REPORT 2023/24**

The Committee received a report providing an update on the delivery of the Internal Audit Plan for 2023/24 and the performance of Internal Audit against its agreed performance indicators.

The Committee noted that as of 30 September 2023, one of four planned audits had been completed with a substantial assurance opinion issued. It was explained that the remaining three audits are due to be complete by the end of March 2024.

The Committee queried what the audit arrangements were planned to be with the new combined authority; officers advised that the governance arrangements for the new authority were yet to be established but are being explored. Assurance was provided any audit matters that would fall into the next year would be handed over to the new authority.

RESOLVED:

- (i) The Committee noted the report.

#### **5. JOINT TRANSPORT COMMITTEE INTERNAL AUDIT ANNUAL REPORT 2022/23**

The Committee received a report providing a summary of the Internal Audit work undertaken during 2022/23 including opinion on the Joint Committee's internal control arrangements and performance of Internal Audit against its agreed performance indicators.

It was reported that during 2022/23 the four planned audits had been completed. It was also noted that the Internal Audit team believe there are good internal control arrangements in place based on the work undertaken.

The Committee queried the external audit arrangements in the lead up to the establishment of the new mayoral combined authority. Officers advised that NECA accounts would be closed and then subject to an external audit with the arrangements for the new authority to be established in due course.

The Committee were also advised that the 2023/24 accounts would roll over to the new authority.

RESOLVED:

- (i) The Committee noted the report.

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

13 March 2024, 10am – 12noon – Whickham Room, Gateshead Civic Centre

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

**Date:** 13 March 2024

**Subject:** Joint Transport Committee Internal Audit Progress Report  
2023/24

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

### **Executive Summary**

This report provides an update on the delivery of the Internal Audit Plan for 2023/24 and the performance of Internal Audit against its agreed performance indicators.

One of the four planned audits has been completed and the remaining three are ongoing and planned to be completed by the end of March 2024.

### **Recommendations**

The Audit Committee is invited to consider and, if appropriate, make comment on the Internal Audit Progress Report for 2023/24, which includes the key performance measures for the provision of the service.

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

### **1 Background Information**

- 1.1 In April 2023 the Audit Committee agreed the Internal Audit Plan for 2023/24, which included four audits for completion during the year. The agreed audits were:
- a) Bus Services Improvement Plan.
  - b) Capped Bus Fare Scheme.
  - c) Bus Partnership Agreements.
  - d) Scheme Development Allocations.
- 1.2 The audit of Scheme Development Allocations is complete and the remaining audits are ongoing. It is expected that they will be completed by the end of March 2024.

### **2. Proposals**

- 2.1 Appendix 1 provides a summary of the audits completed to date for this year and in previous years against the Organisational Risk areas. As the opinion of some audits contributes towards more than one risk area they may be shown more than once. An overall opinion is also provided for each risk area.
- 2.2 Appendix 2 shows Internal Audit's performance indicators, and the performance based on the completed audits for the year.

### **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 completed for the year and the overall opinion on the JTC's control arrangements will be presented in an Annual Report after the year end.

### **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.

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

### **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 report.

### **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 for 2023/24.

Appendix 2 – Performance of Internal Audit for 2023/24 where available.

### **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)

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

### **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

### Appendix 1

#### Summary of Internal Audit Work

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Organisational Risk Areas	Audits 2020/21	Opinion	Audits 2021/22	Opinion	Audits 2022/23	Opinion	Audits 2023/24	Opinion	Overall Opinion
Future Availability of Funding									No Internal Audit Work
Funding Opportunities	Regional Transport Plan	S							S
Use of Funding and Resources			Transport Assurance Framework	S	Active Travel Fund Grant	S	Scheme Development Allocations	S	S
Governance Arrangements					Service Level Agreements	M			S
Operational Capacity and Resourcing					Business Continuity	L			L
Delivery of Transport Improvement Projects/Programmes	Transforming Cities Fund	M	Transforming Cities Programme - Compliance	S	Bus Services Partnership	S	Bus Services Improvement Plan		S
							Capped Bus Fare Scheme		
							Bus Partnership Agreements		
Transport Infrastructure Assets			Contract Management – TT2	S					S
Service Delivery	Bus Services Grant Claim	S	Bus Services Grant Claim	S	Active Travel Fund Grant	S			S
Catastrophic Event					Business Continuity	L			L

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 2023/24			
Efficiency and Effectiveness			
Objectives	KPI's	Targets	Progress
<p>1) To ensure the service provided is effective and efficient.</p> <p>10</p>	<p>1) Complete sufficient audit work to provide an opinion on the key risk areas identified.</p> <p>2) Percentage of draft reports issued within 15 days of the end of fieldwork.</p> <p>3) Percentage of audits completed by the target date (from scoping meeting to issue of draft report).</p>	<p>1) Complete sufficient audit work to provide an opinion on the organisational risk areas</p> <p>2) 90%</p> <p>3) 85%</p>	<p>Achieved</p> <p>Ahead of target – 100%</p> <p>Ahead of target – 100%</p>

## Joint Transport Committee – Audit Committee

Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2023/24			
Quality			
Objectives	KPI's	Targets	Progress
1) To maintain an effective system of Quality Assurance.	1) Opinion of External Auditor	1) Satisfactory opinion	Achieved
2) To ensure recommendations made by the service are agreed and implemented.	2) Percentage of agreed high, significant and medium risk internal audit recommendations which are implemented.	2) 100% for high and significant risk. 90% for medium risk	Behind target – Medium risk 88%
Client Satisfaction			
Objectives	KPI's	Targets	Progress
1) To ensure that clients are satisfied with the service and consider it to be good quality.	1) Results of Post Audit Questionnaires	1) Overall average score of better than 1.5 (where 1=Good and 4=Poor)	On target - 1
	2) Results of other Questionnaires	2) Results classed as 'Good'	N/A
	3) Number of Complaints / Compliments	3) No target – actual numbers will be reported	None in year

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

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**Date:** 13 March 2024

**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. Appendix 1 shows a summary of the current risk scores and direction of travel. It can be seen that all risk scores are now either Amber or Green.

To allow for an effective handover of the risk register into the North East Mayoral Combined Authority, Appendix 2 has been streamlined and brought up to date through discussion with key officers.

The current level of risk associated with the JTC's achievement of its strategic objectives has reduced for three of the five risks. The risk score for Operational Risk 1 has also reduced.

### **Recommendations**

The JTC Audit Committee is asked to consider and comment on the content of the Strategic Risk Register.

## **1 Background Information**

- 1.1 The North East Combined Authority (NECA) and the North of Tyne Combined Authority (NoTCA) have been in operation as separate combined authorities since 2 November 2018. NECA currently 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 and a Joint Transport Committee was established to exercise all transport functions. A new devolution deal has been agreed which will create the North East Mayoral Combined Authority on 24<sup>th</sup> May 2024 which will include all of the local authority areas currently covered by NECA and NoTCA. The Joint Transport Committee activities will transfer into the new combined authority including the management of its risks.
- 1.3 The Strategic Risk Register has been streamlined and brought up to date to allow for an effective handover to the new organisation. This report offers the JTC's Audit Committee the opportunity to consider the nature and level of risk the JTC currently faces.

## **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 included in the JTC's North East Transport Plan, and
  - b) nine risks relating to the JTC / organisation itself.
- 2.2 Appendix 1 shows a summary of the risks and a RAG rating of the current risk scores. Comments are also included to explain any changes. The level of risk has been reduced in a number of areas due to the funding opportunities from the North East devolution deal such as the City Region Sustainable Transport Settlement (CRSTS) and specific funding for zero emissions buses and electric vehicle charging infrastructure.
- 2.3 Appendix 2 shows the detail of each risk, including the potential causes and impacts, the basis of the current risk score and the direction of travel. This has been significantly streamlined and updated through discussion with key officers.
- 2.4 Appendix 2 also sets out the 'Risk Analysis Toolkit' which shows the risk scoring matrix that has been applied to assess the level of risk for each of the JTC strategic risks.

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

- 3.1 The Audit Committee has the responsibility to provide a 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 handed over to the new North East Mayoral Combined Authority for consideration regarding the risk management arrangements for the Authority as a whole.

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

- 5.1 The development of the Strategic Risk Register does not impact directly on the JTC's objectives, however, strategic risk management supports the achievement of strategic objectives.

#### **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 1 – 'Risks Summary' shows the JTC's strategic risks and the level of risk associated with each.

Appendix 2 – 'Strategic Risks – Details' provides a detailed assessment of the JTC's risks and actions identified to reduce the overall risk exposure and the 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

Risks - Summary			
Risk Title & Description	Risk Level (RAG Rating)	Direction of Travel	Notes
<b>JTC Strategic Risks</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.	Amber	Decreasing	Current bids are live for Zero Emission Buses and significant investment in EV charging infrastructure. Future CRSTS funding will allow significant investment in sustainable transport infrastructure.
<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.	Amber	Decreasing	Significant funding opportunities and powers within the North East devolution deal will enable improvements to sustainable transport infrastructure and services.
<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	Static	Significant funding opportunities and powers within the North East devolution deal will enable improvements to sustainable transport infrastructure and services.
<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.	Amber	Decreasing	Significant funding opportunities and powers within the North East devolution deal will enable improvements to sustainable transport infrastructure and services. The region has also a live Enhanced Bus Partnership delivering improvements on the bus network.

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	Static	Arrangements are in place and new initiatives, such as investment by Nexus in Security staff on the Metro system. TCF investment in safer securer stations could be built on through CRSTS funding.
<b>JTC Organisational 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.	Green	Decreasing	Significant funding has been acquired in recent years including BSIP and Active Travel funding with funding bids current for Zero Emission Buses and Electric Vehicle Charging Infrastructure.  Move to a Mayoral Combined Authority allows access to CRSTS and other significant funding pots.
<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	Static	JTC are awaiting confirmation of the award of funding for Zero Emission Buses and Electric Vehicle Charging Infrastructure.
<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	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	Static	N/a

Risks - Summary			
Risk Title & Description	Risk Level (RAG Rating)	Direction of Travel	Notes
<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	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.	Green	Static	Positive Internal Audit opinion, likelihood of overspends reduced, however delays in delivery owing to volume of funding and capacity pressures remains.
<b><u>7 Transport Infrastructure Assets</u></b>  Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained.	Green	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	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	Static	Bus operators are committed to working together in a catastrophic event through the BSIP passenger charter, further work should be done to formalise communication lines and potential action plans

## JTC Strategic Risk Register 2023/24

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
Carbon Neutral Transport	1	Failure to achieve the planned outcomes to realise the decarbonisation of economic activity, infrastructure and housing within the North East.	<ul style="list-style-type: none"> <li>- Lack of engagement by the public and industry due to prohibitive high cost and reliability of currently available alternatives.</li> <li>- Lack of government political will to ensure change by industry and public through adequate legislation.</li> <li>- Gaps in Public Transport provision and/or frequency for some areas coupled with appeal and personal safety concerns.</li> <li>- Change in travel activity since the Pandemic,</li> </ul>	<ul style="list-style-type: none"> <li>- Unable to address the known effect of pollution on the health of the Public.</li> <li>- Pressure on the economy and the NHS due to the effect of pollution on the health of the Public.</li> <li>- Lack of impact on Climate Change.</li> </ul>	<ul style="list-style-type: none"> <li>- North East Transport Plan</li> <li>-JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> <li>- JTC receive and allocate government and other funding to support all LA7 members to reduce carbon emissions.</li> <li>- Transport capital Programme</li> <li>- Emergency Active Travel Fund (£15.7m) to increase and improve cycling and walking networks.</li> <li>- Local Authorities have statutory powers to tackle air pollution, emission requirements and ensure Local Plans/planning proposals contribute to mitigation of climate change. Funding from Government's Air Quality Grant Scheme available.</li> <li>- North East Rail and Metro Strategy published</li> <li>- Nexus infrastructure improvements for the Metro and replacing all trains.</li> <li>- Go Ultra Low Programme study for 25 strategic EV charging site.</li> <li>- The North East Zero Emission Vehicle Policy.</li> <li>- Transport Levy from Councils increased.</li> <li>-Bus Service Improvement Plan</li> </ul>	4	2	8	Decreasing	<ul style="list-style-type: none"> <li>-Continue to manage and deliver the Transport Capital Programme.</li> <li>-Implement EV charging sites.</li> <li>- Implement Bus Services Improvement Plan</li> <li>- Monitor delivery of Active Travel schemes.</li> </ul>	Managing Director Transport North East	Ongoing
Inequality and Growth of the Economy	2	Failure to achieve the planned outcomes to overcome inequality and support the growth of the economy in the JTC area.	<ul style="list-style-type: none"> <li>- Transport network and provision does not meet the needs of residents as in some areas it is inaccessible, unreliable, poorly scheduled and lacks coverage.</li> <li>- Inadequate understanding of the transport requirements of residents, business and visitors.</li> <li>- housing development and/or business improvement needs are not addressed by transport infrastructure planning.</li> <li>- Cost of public transport is increasingly prohibitive, particularly to low-earners.</li> <li>- Issues of transport inequality are not understood and addressed.</li> <li>- Information on transport options is not adequately accessible to residents and visitors.</li> </ul>	<ul style="list-style-type: none"> <li>- Improvement in economic, health and social mobility prospects impaired for residents, particularly low earners.</li> <li>- Residents in some areas are unable to access essential services including health care.</li> <li>- Business may relocate or expand outside of the region resulting in a loss of employment, investment and income.</li> </ul>	<ul style="list-style-type: none"> <li>- North East Transport Plan</li> <li>- JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> <li>- Bus Service Improvement Plan through the Enhanced Partnership.</li> <li>- Agreement of staff resource to support development of Enhance Partnership/ Draft Partnership Plan and Scheme for presentation to operators agreed.</li> <li>- "Connected North East: Our Blueprint" making a case for investment in the North East for recovery from the pandemic.</li> <li>- Nexus infrastructure improvements for the Metro and replacing all trains.</li> <li>- Transport Levy from Councils increased.</li> </ul>	4	2	8	Decreasing	<ul style="list-style-type: none"> <li>- Continue to manage and deliver the Transport Capital Programme</li> <li>-Implement the Bus Service Improvement Plan.</li> <li>- Monitor delivery of Active Travel schemes.</li> <li>-Monitor usage and income levels of the Metro.</li> </ul>	Managing Director Transport North East	Ongoing

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
Health	3	Failure of the transport system to achieve the planned outcomes to contribute to the improvements in health of the population in the JTC area.	<ul style="list-style-type: none"> <li>- Lack of funding to develop/maintain infrastructure.</li> <li>- Lack of support from alignment of policies and plans with other stakeholders.</li> <li>- Conflicting priorities between improving road and Active Travel networks.</li> <li>- Lack of engagement in Active Travel by Residents due to accessibility, lack of information, change in lifestyle since the Pandemic</li> </ul>	<ul style="list-style-type: none"> <li>- Continued overcrowding on Public Transport.</li> <li>- Reduced impact on road congestion and accidents.</li> <li>- Unable to address the known effect of pollution on the health of the Public.</li> <li>- Reduced health benefits from physical activity from Active Travel.</li> <li>- Improvements in quality-of-life benefits for residents missed.</li> <li>- Opportunity to reduce pressure on the economy and the NHS through potential health improvements missed.</li> </ul>	<ul style="list-style-type: none"> <li>- Transport Capital Programme.</li> <li>- Emergency Active Travel Fund (£15.7m) to increase and improve cycling and walking networks.</li> <li>- JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> <li>- North East Transport Plan Progress Reporting provides assurance that projects relating to contribute to health improvements of the population objective are on track to timescales.</li> <li>- The North East Zero Emission Vehicle Policy approved.</li> </ul>	4	2	8	Stat	<ul style="list-style-type: none"> <li>- Continue to manage and deliver the Transport Capital Programme</li> <li>- Implement the Bus Service Improvement Plan.</li> <li>- Monitor delivery of Active Travel schemes.</li> <li>- Monitor usage and income levels of the Metro.</li> </ul>	Assistant Director of Funding and Programmes	Ongoing
Appealing Sustainable Transport	4	Failure to achieve the planned outcomes to ensure that people of all ages can access timely and personalised support to overcome their educational, situational and motivational barriers to work and to equip them with the capabilities the economy needs so that they can find employment.	<ul style="list-style-type: none"> <li>- Failure to understand and address users' requirements for sustainable transport to be considered as a replacement for current private vehicles.</li> <li>- Transport provision is perceived as inaccessible, unreliable, poorly scheduled, lacks coverage and personal safety.</li> <li>- Cost of using/changing to sustainable transport is perceived as too high.</li> <li>- Information on transport options is not adequately accessible to residents and visitors.</li> </ul>	<ul style="list-style-type: none"> <li>- Improvements in quality-of-life benefits for residents missed.</li> <li>- Opportunity to reduce pressure on the economy and the NHS through potential health improvements missed.</li> <li>- Possible negative impact on tourism.</li> <li>- Less effective sustainable transport network may affect investment in the region.</li> </ul>	<ul style="list-style-type: none"> <li>- Transport Plan for the North East includes an objective of achieving appealing, sustainable transport choices and set's out how this will be achieved in its Intervention Plan.</li> <li>- North East Transport Plan Progress Report provides assurance that projects relating to achieving appealing sustainable transport choices objective are on track to timescales.</li> <li>- Nexus is completing programme of infrastructure improvements for the Metro and replacing all trains.</li> <li>- Bus Services Improvement Plan.</li> <li>- The Enhanced Bus Partnership delivering good value fares for multi-modal journeys and for under 22 year olds.</li> <li>- JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> </ul>	4	2	8	Decreasing	<ul style="list-style-type: none"> <li>- Continue to manage and deliver the Transport Capital Programme.</li> <li>- Implement the Bus Services Improvement Plan.</li> </ul>	Assistant Director of Funding and Programmes	Ongoing
Safety and Security	5	The transport system within the JTC area fails to achieve the planned outcomes regarding its safety and security.	<ul style="list-style-type: none"> <li>- Poor design of infrastructure.</li> <li>- Competing priorities for different types of transport regarding efficiency of infrastructure and safety and security.</li> <li>- Lack of funding to improve, enhance or maintain safety and security.</li> <li>- Users' noncompliance and infringement.</li> <li>- Gaps in maintenance.</li> <li>- Public perception, which may be ill informed.</li> </ul>	<ul style="list-style-type: none"> <li>- Injury and/or death rate does not improve.</li> <li>- Fear of use of public transport puts off users and affects ambitions for air pollution, congestion and accessibility.</li> <li>- Adverse impact on Active Travel take up due to safety and security concerns.</li> </ul>	<ul style="list-style-type: none"> <li>- JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> <li>- Nexus continues to operate required safety systems across its estate in relation to maintenance and security.</li> <li>- Nexus operate a Customer Support team to tackle anti-social behaviour and noncompliance with conditions of travel on the Metro.</li> <li>- Nexus is completing programme of infrastructure improvements for the Metro and replacing all trains.</li> <li>- North East Transport Plan Progress</li> </ul>	4	2	8	Static	<ul style="list-style-type: none"> <li>- Investment in effective design of projects.</li> </ul>	Managing Director Transport North East	Ongoing

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
					Report provides assurance that projects relating to contributing to health improvements of the population objective are on track to timescales.							
<b>Operational Risks</b>												
Future Availability of Funding	1	Sources and levels of funding available to the JTC to develop the North-East regions transport infrastructure within the region may reduce.	<ul style="list-style-type: none"> <li>- Uncertainty over future Capital scheme relating to those that are ending and their replacements, e.g. Local Growth Fund/EU Funding replaced by UK Shared Prosperity Fund (UKSPF).</li> <li>- Possible change in UK transport policy</li> </ul>	<ul style="list-style-type: none"> <li>- Inability to improve infrastructure to enhance transport services.</li> <li>- Potential inability to maintain infrastructure to ensure adequate public transport services.</li> <li>- Potential inability to promote future economic growth within the region.</li> </ul>	<ul style="list-style-type: none"> <li>- JTC and partner Local Authorities continue to engage with and lobby UK government nationally and sub nationally to further North East transport vision, plan and needs.</li> <li>- Funding as part of the northern devolution deal.</li> <li>- JTC work with partners to identify any new non-government funding sources.</li> <li>- Significant funding has been acquired in recent years including BSIP and Active Travel funding with funding bids current for Zero Emission Buses and Electric Vehicle Charging Infrastructure.</li> <li>- Move to a Mayoral Combined Authority allows access to CRSTS and other significant funding pots.</li> </ul>	4	1	4	Decreasing	<ul style="list-style-type: none"> <li>- JTC Members and Officers, together with its partners e.g. Councils continue to work with government for funding arrangements to enable delivery of the North East Transport Plan.</li> </ul>	Managing Director, Transport North East	Ongoing
Funding Opportunities	2	Failure of the JTC to secure the maximum amount of transport funding available to progress transport infrastructure in the North-East region.	<ul style="list-style-type: none"> <li>- Funding opportunities are missed due to lack of awareness/missing relevant deadlines.</li> <li>- Poor quality of funding applications made by JTC.</li> <li>- Failure to obtain funding only available through competitive process leading to under allocation for priorities.</li> </ul>	<ul style="list-style-type: none"> <li>- Delivery of planned transport improvements required by the region will be significantly delayed.</li> <li>- Consequently, delivery of JTC's Strategic Objectives may significantly be affected.</li> </ul>	<ul style="list-style-type: none"> <li>- Officers horizon scan for upcoming funding opportunities.</li> <li>- Regular contact with the UK government and other funding bodies to identify funding opportunities early.</li> <li>- Funding as part of the northern devolution deal.</li> <li>- Relationships with other bodies at a sub national and local level.</li> <li>- TNE staff have proven experience, skills and knowledge to submit strong bids.</li> <li>- All bids/projects are subject to scrutiny using the Transport Assurance Framework.</li> <li>- TNE liaises with the provider during any application process to understand clearly what it is looking for.</li> </ul>	4	2	8	Static	<ul style="list-style-type: none"> <li>- As part of the delivery of the North East Transport Plan, a 'project pipeline' is 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.</li> </ul>	Assistant Director of Funding and Programmes	Ongoing
Use of Funding and Resources	3	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.	<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>	<ul style="list-style-type: none"> <li>- Transport projects may be delayed, reduced in size or not completed with intended benefits unrealised.</li> <li>- Funding may be lost through missed deadlines, project failure.</li> <li>- Reallocation of other earmarked funding to address gaps.</li> <li>- Reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>- TNE staff have proven experience, skills and knowledge to submit strong bids.</li> <li>- All bids/projects are subject to scrutiny using the Transport Assurance Framework to ensure they are in line with the JTC objectives and plans and meet bid criteria.</li> <li>- Directly managed projects are managed using recognised project management principles.</li> <li>- Where projects are delivered by partners arrangements are in place to gain assurance that the projects are</li> </ul>	4	2	8	Static	<ul style="list-style-type: none"> <li>- Delivery plans and programmes are 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.</li> <li>- Appropriate prompt action is taken to address issues which may arise.</li> </ul>	Assistant Director of Funding and Programmes	Ongoing

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
					<p>progressing as expected.</p> <ul style="list-style-type: none"> <li>- Projects delivered by contractors are let subject to a competitive procurement process.</li> <li>- All third-party projects are based on funding agreements which include performance monitoring and reporting requirements.</li> <li>- Clear conditions of use are provided by funding providers.</li> <li>- JTC officers are subject to relevant codes of conduct.</li> </ul>							
Governance Arrangements	4	The governance arrangements of the JTC are not appropriate to allow effective and timely decision making and the achievement of its objectives.	<ul style="list-style-type: none"> <li>- Lack of capacity to support complex governance arrangements with accountability to two combined authorities, with one as lead.</li> <li>- Lack of clarity of roles and responsibilities.</li> <li>- Conflicting priorities, not aligned to governance arrangements.</li> </ul>	<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>- Failures in statutory compliance, financial management and transport services delivery.</li> </ul>	<ul style="list-style-type: none"> <li>- All 7 LAs continue to support the JTC and its activities.</li> <li>- Autonomous JTC Standing Orders outline functions, sub committees, rules of procedure and the roles of statutory officers.</li> <li>- Committee Decisions are by majority vote but with an aim for consensus.</li> <li>- Statutory role of 'Proper Officer for Transport' was established by the Statutory Order. including delegated powers.</li> <li>- JTC Chief Executive Transport Strategy Board supports/strengthens decision making providing challenge and scrutiny.</li> <li>- A Statutory Officer Oversight Group is in place to oversee procurement, legal, financial and other management issues relating to JTC operations.</li> <li>- Service Level agreements are in place for support services provided to the JTC.</li> </ul>	4	1	4	Stat	<ul style="list-style-type: none"> <li>- Move into the new Combined Authority's governance arrangements.</li> <li>- Continue activities of Transport North East including business planning, performance management, project assurance, overseeing of delivery programmes.</li> </ul>	Managing Director Transport North East	Ongoing
Operational Capacity and Resourcing	5	The JTC does not have the necessary operational capacity, skills and budget, to successfully deliver the JTC's objectives and plans.	<ul style="list-style-type: none"> <li>- Budget may be insufficient as NECA's initial resource pool now required to support JTC and NoTCA</li> <li>- Potential for conflicting priorities for Members, Statutory Officers to NECA, Proper Officer for Transport and other posts provided under Services Level Agreements as all have alternative main employments with partner organisations.</li> <li>- Increased demand for rapidly changing work requirements for transport policy, funding bid submission and programme delivery.</li> </ul>	<ul style="list-style-type: none"> <li>- Weakened oversight over the delivery of transport programmes</li> <li>- Decisions may be delayed or based on incomplete information</li> <li>- Functions may be less effectively or timely leading to financial loss, flawed decisions, delay in development of transport policies and funding bids.</li> <li>- Reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>- Representatives from LA7, Statutory Officers and Proper Officer for Transport all have support from deputies.</li> <li>- TUPE to NECA employment relating to TNE and Corporate NECA staff.</li> <li>- Review and update of all SLAS has taken place.</li> <li>- Increased senior officer support from TNE Strategy Director and Tyne Tunnel Manager.</li> <li>- TNE Strategy Director has responsibility for long term transport policies, plans, analysis and business cases.</li> <li>- External Resources are appointed where required to support JTC delivery priorities.</li> </ul>	4	2	8	Stat	<ul style="list-style-type: none"> <li>- Continuous assessment of skills and capacity within Transport North East to meet its support role, including addressing any gaps through recruitment or external support as required.</li> </ul>	Managing Director Transport North East	Ongoing
Delivery of Transport Improvement	6	Projects which are funded through the JTC are delayed, are	<ul style="list-style-type: none"> <li>- Poor programme/project management.</li> <li>- Inaccurate assessment of projects</li> </ul>	<ul style="list-style-type: none"> <li>- Transport projects may be delayed, reduced in size or not completed with intended</li> </ul>	<ul style="list-style-type: none"> <li>- TNE staff have proven experience, skills and knowledge to submit strong bids.</li> </ul>	4	1	4	St	<ul style="list-style-type: none"> <li>- Monitoring of the delivery of the overall JTC programme of projects should be carried out</li> </ul>	Managing Director Transport North	Ongoing

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
Projects/ Programmes		significantly overspent or do not deliver the intended product to meet the identified transport need.	costs when submitting funding bids. - Delays and costs for a project due to unforeseen events. - Insufficient capacity and skills to manage projects. - Fraud and corruption.	benefits unrealised. - Funding may be lost through missed deadlines, project failure. - Reallocation of other earmarked funding to address gaps. - Reputational damage.	- All bids/projects are subject to scrutiny using the Transport Assurance Framework to ensure they are in line with the JTC objectives and plans and meet bid criteria. - Directly managed projects are managed using recognised project management principles. - Where projects are delivered by partners arrangements are in place to gain assurance that the projects are progressing as expected. - Projects delivered by contractors are let subject to a competitive procurement process. - All third-party projects are based on funding agreements which include performance monitoring and reporting requirements. - Clear conditions of use are provided by funding providers. - JTC officers are subject to relevant codes of conduct.				a t t i c	on a regular basis. - Programme management and governance structures to remain.	East	
Transport Infrastructure Assets	7	Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained.	- Lack of awareness of the existence of the asset. - Lack of clarity as to who has responsibility for the management and maintenance of the assets. - Lack of clarity as to standards required. - Lack of resources to maintain the assets.	- Failures in transport infrastructure assets may affect services delivered to transport users leading to disruption and complaints and a drop in usage. - If available funding is not used by a deadline it may be lost.	- JTC's constitution includes overall responsibility and oversight for transport infrastructure assets owned by NECA and North of Tyne Combined Authority. - The JTC holds a record of assets it is responsible for. - Responsibility for the maintenance of assets and standards are included in service provider agreements including assurance reporting requirements. - Tyne Tunnels Manager has oversight of the performance of service provider.	3	2	6	S t a t i c	- Ongoing activities of Transport North East, capacity and skills available to carry out its contract management responsibilities is continuously assessed.	Managing Director Transport North East	Ongoing
Service Delivery	8	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.	- Lack of clarity as to the responsibilities, duties and interface regarding the oversight of public transport services within the region. - Failure to appreciate and provide appropriate levels of transport services to adequately support the economic well-being and reputation of the region.	- Loss of confidence by stakeholders, including government, in the JTC's ability to meet its responsibilities. - Loss of confidence by users of services. - Failure of JTC oversight of public transport providers may lead to inadequate services resulting in less use of public transport and greater congestion on the roads.	- JTC's constitution makes it clear it has overall responsibility and oversight for certain statutory public transport services. - JTC committees, i.e. Leadership Board, Tyne Wear Sub Committee and Overview and Scrutiny Committee receive regular reports as to the level of public transport services provided by the JTC's partners. - The Managing Director, Transport North East appointed by the JTC is also Statutory Director General of Nexus, a key delivery partner to the JTC. - 4 Non-Executive Directors are on the Nexus Executive Board which strengthens oversight arrangements. - Both NECA and NoTCA have representation both on Transport for the North's (TfN) Rail North committee	3	2	6	S t a t i c	-Enhanced Bus Partnership meetings monitoring of partnership KPIs. -Partnership being established with Active Travel England.	Managing Director Transport North East	Ongoing

Risk Area	ID	Risk Description	Cause	Impact	Current Controls	Impact	Likelihood	Rating	Direction of Travel	Mitigating Actions	Lead	Action Date
					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). - Local Oversight through North East Rail Management Unit for Rail North. - Enhanced partnership with bus companies.							
Catastrophic Event'	9	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).	<ul style="list-style-type: none"> <li>- Lack of clarity over responsibilities and duties of the relevant stakeholders with partner agencies for oversight of public transport services within the region in the event of a 'catastrophic event'.</li> <li>- Failure to anticipate and plan response to the impact of possible catastrophic events on the transport system</li> <li>- 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.</li> </ul>	<ul style="list-style-type: none"> <li>- Excessive death or injury</li> <li>- Economic activity excessively reduced due to inability of employees to carry out employment duties/activity.</li> <li>- Loss of reputation to the region.</li> </ul>	<ul style="list-style-type: none"> <li>- Councils have a legal duty under the Civil Contingencies Act 2004 to be prepared and able to respond to any civil emergency occurring within its boundary.</li> <li>- JTC Councils membership of Local Resilience Forums (LRF) along with transport delivery partners; (Nexus, Highways England, Network Rail) allows for effective delivery of multi-disciplinary planning for Major Incidents.</li> <li>- JTC public transport providers have developed their own risk, emergency response and business continuity plans</li> <li>- TT2 Ltd have risk, emergency response and business continuity plans in place . Regular emergency/safety training exercises take place which include Tyneside Councils, TWFRS and the other emergency services.</li> </ul>	4	2	8	S t a t i c	- Transport North East to ensure that its own disaster recovery and business continuity arrangements are robust.	Managing Director Transport North East	September 2024

JTC Strategic Risk Register 2023/24

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				
Critical/Showstopper	Objective	Service Delivery	Financial	Reputational
	<p>Over half the objectives/programmes affected</p> <ul style="list-style-type: none"> <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.