



Joint Transport Committee Audit Committee

Wednesday, 14th April, 2021 at 10.00 am

Meeting to be held virtually via Microsoft Teams

AGENDA

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JOINT TRANSPORT COMMITTEE, AUDIT COMMITTEE

DRAFT MINUTES FOR APPROVAL

9 December 2020

Meeting held virtually via Microsoft Teams

Present:

- Mark Scrimshaw (Chair)

Councillors:

- M Swinburn – Northumberland Council
- M Charlton – Gateshead Council
- A McMullen – North Tyneside Council
- P Stewart – Sunderland City Council
- G Roughead – Northumberland Council

Officers:

- Paul Darby – NECA Deputy 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
- Fiona Bootle – Tyne Tunnels Manager
- Alistair Swan – Principal Engineer, Newcastle City Council
- Stuart Turnbull – Project Manager, Newcastle City Council
- Angus Graham – Sunderland City Council
- Tom Warburton – Newcastle City Council
- Michelle Percy – Newcastle City Council

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Stuart Green (Vice Chair), Cllr Ed Bell (Durham County Council) and Mike Barker (Gateshead 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 7 October 2020 were agreed as a correct record.

The Chair thanked Stuart Green for taking the Chair at the last meeting in his absence.

4. TRANSPORT REVENUE BUDGET PROPOSALS 2021/22 – BUDGET CONSULTATION

Committee received a report on the JTC budget proposals for 2021/22. Attached to the report was a copy of the report that had been presented to JTC on 17 November and the views of the Audit Committee were sought to be included in the final budget report for January 2021, where the Transport Levies would be agreed.

It was reported that due to the pandemic there has been a significant impact on commercial revenue across the board due to reduced patronage on buses and on the Metro and usage of the Tyne Tunnels. The majority of Nexus's lost commercial revenue had however been offset by the Light Rail Revenue Restart Grant (LRRRG) and the Local Authority Coronavirus Bus Services Support Grant (LA CBSSG) which had allowed bus operators to continue with services despite the commercial revenue losses. The LRRRG had been extended until 18 January 2021 and it was expected that this will be extended further again until the end of March 2021 given the continuing impacts into the New Year.

Nexus is required to submit a Metro recovery plan to government by 11 January, to outline how it will become more financially sustainable and less reliant on government grant support as the Government was seeking to reduce the reliance on the LRRG. The format and requirements of the plan has been set out in DfT guidance but a major feature of the Nexus plan will need to be on driving up patronage in the New Year and beyond.

The budget proposals at this stage were assuming that the LRRRG or some other support would be provided in 2021/22 to provide assistance to offset any continuing impacts on commercial revenues.

Whilst the Tyne and Wear Levy was to be frozen again next year, the budget proposals included a rebate to the Tyne and Wear Councils from earmarked reserves to help the position of the local authorities. The report identified the significant efficiencies that had been achieved by Nexus over the last 10 years.

The Tyne and Wear Sub Committee will be considering proposals to increase the Tyne Tunnels Tolls for Class 2 vehicles by 10p next year, which had been triggered by RPI increases. It was highlighted that there has been a significant reduction in the traffic using the tunnels during the current year, however this loss will fall to the operator due to the way the concession agreement was constructed.

The Committee gave thanks to Nexus officers for all the work carried out in protecting jobs and introducing efficiencies that kept operating costs down.

The point was made that the big risk is the uncertainty around continuation of the LRRRG. Government funding has covered Nexus' revenue losses so far but there is concern that the following year's revenue losses will not be covered.

In terms of the recovery plan, it was noted that patronage is not expected to recover for a long time, as working and travel patterns have changed so much. The economic impact has not been fully felt yet which in turn impacts on the need to travel. In addition, bus operators may need to reduce services in response to patronage losses, and this will have a direct impact on Nexus, Durham and Northumberland's budgets for secured bus services.

Committee requested sight of the recovery plan before submission to the government. It was also suggested that an informal workshop session be held for all JTC Committee members to give their views and provide extra assurance.

The point was made that a large portion of the region relies on buses as they have no direct access to the Metro, therefore it was felt that this should be made clear to government when looking at what needs to be subsidised.

It was queried why there was a difference between the shadow toll and the actual toll charges. It was highlighted that the difference relates to a decision a number of years ago to freeze the actual tolls when the new tunnel was being completed. The contract with the operator necessitates a formula based review of the toll charges reflected in the contract – which are effective from January each year. In the year the actual tolls were frozen the shadow toll increased and since then there has been some differences between the two. The increases in tolls are applied in 10p increments so the actual and shadow tolls can vary in terms of the differences between them. The shadow tolls had increased in January 2020 but no increases were triggered in January 2021, but there was an increase expected in January 2022. The actual tolls are usually increased in April / May, following decision taken in January as it takes some time to implement these in line with the provisions of the relevant legislation.

It was queried why there is a discrepancy between Durham and Northumberland County Council's in relation to bus shelter funding. It was confirmed that transport delivery in Durham and Northumberland is delegated to those councils by the JTC, and therefore the provision of funding for bus shelters is a matter for each of them to determine based on local circumstances.

It was suggested that representatives from Durham and Northumberland should have observer status on the Tyne and Wear Sub Committee. It was noted that the

meetings were held in public and agreed that this would be looked at and reported back to Committee at a later date, and that there may be some reciprocal arrangement required.

RESOLVED - That the comments of the North East Joint Transport Committee, Audit Committee be considered as part of the consultation process.

5. JTC INTERNAL AUDIT PROGRESS REPORT 2020/21

Committee received an update report on the delivery of the Internal Audit Plan for 2020/21.

At its meeting in July 2019, this Committee agreed the Internal Audit Plan which would include three audits to be completed;

- Regional Transport Plan
- Contract Management Arrangements – TT2
- Transforming Cities Programme

The audit of the Transforming Cities Programme is currently underway and the Regional Transport Audit will take place early in the new year.

Since the Plan was agreed a further piece of work on the Covid-19 Bus Services Support Grant was required to be undertaken. It was originally anticipated that this could be done in conjunction with the three audits, however due to the amount of assurance work required due to Covid funding this is no longer possible.

Therefore the Contract Management Arrangements audit will be moved to 2022. It was noted that there will have been three audits carried out within the year so there is no issue regarding assurance levels.

The Committee was satisfied with this approach.

RESOLVED - That the JTC Audit Committee noted the Internal Audit Progress Report for 2020/21.

6. JTC STRATEGIC RISK REGISTER

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

It was noted that there has been no change to any of the risk scores since the last meeting, with only some minor updates made, which in future will be highlighted for the Committee.

The point was made that statements of accounts did not follow usual procedures this year given the mitigating circumstances. It was therefore requested that both the

Combined Authorities and JTC timetables be aligned so that general exemptions are not required next year.

It was questioned whether there was anything which could be done to ensure Electric Vehicle charge point providers are maintaining and upgrading them. It was acknowledged that there is a need to look at opportunities in this area in order to increase consumer confidence.

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

7. EVALUATING THE OUTCOMES OF RECENT ACTIVE TRAVEL SCHEMES

A report was presented to Committee on active travel, namely walking and cycling, in order to evaluate the value for money from public funds in this area.

It was acknowledged that there is an appetite across the region for better walking and cycling infrastructure and that uptake of such activities has increased recently. However, challenges faced by such schemes is around collecting data and cost of maintaining infrastructure.

There are known health and economic benefits to active travel schemes and therefore is featured in the Transport Plan.

The point was made that the data relates to the summer months and it would be beneficial to compare this with the figures during winter. It was also queried why there are so few Park and Ride Schemes in the area. It was confirmed that the Transport Plan is out for consultation which cites Park and Ride schemes, there is an intention that the number of these will increase.

The Committee requested that, if available, further information be brought on the impact of traffic displaced elsewhere onto the road schemes, with particular interest shown to the cycle route which had operated between Whitley Bay and Tynemouth during the summer; and that information should be requested from North Tyneside Council regarding this specific scheme.

RESOLVED - That the JTC Audit Committee noted the content of the report.

8. TYNE PEDESTRIAN AND CYCLIST TUNNELS UPDATE

Committee received an update report on the refurbishment and operation of the Tyne Pedestrian and Cyclist Tunnels. Details of the refurbishment history were provided and it was acknowledged that the project lasted longer than expected and was more costly.

This increased costs and time were due to a number of factors, including; removal of asbestos, replacing steelworks, the extent of water ingress, building and electrical

contractors entering administration and operational issues with the specialist inclined lifts.

It was noted that not enough contingency had been earmarked for the project, given the age and bespoke nature of the Tunnels. In addition, when the building contractors went into administration the site was left in a very bad state and there was an 18 month period when the project stalled. Subsequently the tidy up costs were very high when contractors returned to site. The only outstanding item is the inclined glass lifts, the installation of which has been delayed due to the travel restrictions.

It was reported that the tunnels reopened in August 2019 and the use has increased, especially in terms of cyclists, in the following months. This has reopened under the operation of the project team and will pass to TT2 once work on the lifts has finished. It is expected that this will be handed back to TT2 by the end of 2021.

It was reported that the tunnels are currently open 24 hours per day for a four week trial period. As security is already in place the extended opening hours have come at a minimal cost.

Concern was raised as to the high running costs. It was confirmed that these are temporary and once the site is handed back to TT2 these costs will drop dramatically.

The Committee expressed concern that the project tripled in cost and has had a huge impact on local residents, when many of the delays should have been expected in the type of building that it is. It was also noted that running costs are still at an unacceptable level. It was suggested that the findings from this work should be used to ensure this does not happen again to any future building projects.

RESOLVED - That the JTC Audit Committee noted the content of the report.

9. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED - The JTC Audit Committee Agreed to exclude the press and public during consideration of item 10 by virtue of paragraphs 3 and 5 of Part 1 of the Schedule 12A of the Local Government Act 1972.

The live stream of the meeting on YouTube was suspended after this resolution was agreed.

10. TYNE PEDESTRIAN AND CYCLE TUNNELS UPDATE

Committee received a report on the breakdown of costs incurred in the refurbishment project and the plans for completion of the inclined lifts.

RESOLVED - That the JTC Audit Committee noted the content of the report.

11. DATE AND TIME OF THE NEXT MEETING

The next meeting will take place on Wednesday 14 April 2021 at 10am.

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Joint Transport Committee – Audit Committee

Date: 14 April 2021

Subject: Joint Transport Committee Internal Audit Plan 2021/22

Report Of: Senior Manager – Assurance, Sunderland City Council

Executive Summary

This report provides members with the proposed Internal Audit Plan and performance measures for 2021/22.

As part of the Audit Plan for 2021/22 it is proposed that three audits, covering the following areas are undertaken:

- a) Transport Assurance Framework.
- b) Contract Management Arrangements – TT2 (deferred from 2020/21).
- c) Transforming Cities Programme - Compliance.

Recommendations

The Audit Committee is invited to consider and, if appropriate, make comment on the proposed Internal Audit Plan for 2021/22 which includes the key performance measures for the provision of the service.

Joint Transport Committee – Audit Committee

1 Background Information

- 1.1 The Terms of Reference of the Audit Committee included within the Standing Orders of the North East Joint Transport Committee (JTC) state that the Audit Committee should receive on an annual basis, *'Internal Audit's Strategic Audit Plan, including Internal Audit's terms of reference, strategy and resources. The JTC Audit Committee will approve, but not direct, the JTC Strategic Audit Plan'*. The submission of this report seeks to allow the Audit Committee to fulfil this requirement.
- 1.2 The internal audit service is provided to JTC by the internal auditors of Sunderland City Council.

2. Proposals

- 2.1 The Internal Audit Strategy was agreed by the Committee in 2019/20 and as no changes have been made to it this report only sets out the proposed Internal Audit plan and performance measures for 2021/22.
- 2.2 The draft Internal Audit Plan for 2021/22 is set out in Appendix 1. The Audit Plan covers Internal Audit's key performance measures and outlines the proposed internal audit work for the JTC.

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 Delivery of the audit plan will be monitored to ensure it is delivered together with any actions arising from audit work. Update reports will be provided to the JTC Audit Committee mid-way through the year.

Joint Transport Committee – Audit Committee

5. Potential Impact on Objectives

- 5.1 The development of the audit plan 2021/22 will not impact directly on the JTC's objectives, however the delivery of the audit plan will support 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 draft Internal Audit Plan 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 – Internal Audit Plan 2021/22 provides a description of the audit work to be carried out during the year.

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14. Background Documents

14.1 JTC Standing Orders.

15. Contact Officers

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

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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

Internal Audit Plan 2021/22

1. Introduction

This document presents the Internal Audit Plan for 2021/22 including the key performance measures for Internal Audit.

2. Division of Responsibilities

- 2.1 It is management's responsibility to manage the systems of the JTC to ensure that risks are managed, an appropriate system of internal control is maintained, and its assets adequately protected. This includes ensuring that controls are in place to guard against error, potential fraud and corruption, and that there is efficiency and effectiveness in how the systems are operated.
- 2.2 Internal Audit independently reviews how effectively management discharges this aspect of its responsibilities by evaluating the effectiveness of systems and controls and providing objective analyses and suggesting areas for improvement. Management retains full ownership and responsibility for the implementation of any agreed actions within the agreed timescales.

3. Development of the Plan

- 3.1. The plan was developed based on consultation with key officers within the JTC and consultation with the JTC's statutory officers and consideration of the key activities and risks relevant to the JTC.
- 3.2. As specific areas of concern or irregularity may require investigation as and when they arise, a small contingency is made for this work. Should a significant piece of work be required there may be a need to replace a planned audit, in consultation with the JTC.
- 3.3 Where individual audits cannot be undertaken as originally planned (e.g. service no longer provided), attempts will be made to replace the audit with a suitable replacement in consultation with the JTC's Chief Finance Officer. Where these changes are agreed this shall be considered a variation to this Plan for the purposes of performance reporting.

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- 3.4 Time has also been allocated for the provision of advice and guidance on internal control matters.

4 Planned Audit Work for 2021/22

- 4.1 A summary of internal audit work against each of the organisational risk areas is shown in Annexe 2. The following audits are planned for 2021/22.

Transport Assurance Framework

- 4.2 Audit work will review the design and operation of the JTC's 'Transport Assurance Framework' arrangements in place for the assessment and delivery of transport projects funded through the JTC to ensure that appropriate projects are delivered which support the regional transport objectives.

- 4.3 The scope of the audit includes the following:

Roles and Responsibilities
Evaluation criteria including alignment to NE Transport Plan objectives
Record keeping and provision of information
Project Prioritisation
Compliance with process
Decision making and Project Approval
Funding agreements/payments
Monitoring arrangements of Project Delivery and Benefits Realisation
Reporting arrangements

Contract Management Arrangements – TT2 (deferred from 2020/21)

- 4.4 Audit work in relation to the management of the contract with TT2 for the operation of the Tyne Tunnel.

- 4.5 The scope of the audit includes:

Roles and responsibilities
Contract administration
Decision making
Performance management
Financial monitoring and reporting

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4.6 Transforming Cities Programme - Compliance

4.7 During 2020/21 audit work was undertaken to review the design of the arrangements put in place to manage the programme of work for the Transforming Cities Funding. Given the significant size of the programme a further review will be carried out to ensure that the arrangements put in place are being complied with.

4.8 The scope of the audit includes:

Programme monitoring and reporting
Decision Making
Arrangements to monitor individual schemes
Budget monitoring

5 Reporting Protocols

5.1 At the conclusion of each individual audit a draft report and, if necessary, a proposed action plan will be forwarded to the appropriate manager. Once agreement has been reached, a final report (including any agreed action plan) will be forwarded to the relevant senior officer and the Head of Paid Service. Where audits highlight issues which need to be brought to the attention of the Chief Finance Officer they will be raised as and when necessary.

5.2 Senior Management and the Audit Committee will be updated on progress against the audit plan mid-way through the year.

5.3 An Annual Report will be prepared for the Audit Committee, in order to give assurance, or otherwise, regarding the JTC's internal control environment

6 Performance Management

6.1 All work undertaken will be in accordance with the internal audit service's policies and procedures, which are based upon the Public Sector Internal Audit Standards.

6.2 The Key Performance Indicators which will be used to measure the performance of the service throughout the year are shown in Annexe 2.

Joint Transport Committee – Audit Committee

Annexe 1

Summary of Internal Audit Work

Organisational Risk Areas	Audits 2019/20	Opinion	Audits 2020/21	Opinion	Audits 2021/22	Opinion	Overall Opinion
Future Availability of Funding							
Funding Opportunities			Regional Transport Plan				
Use of Funding and Resources					Transport Assurance Framework		
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	Transforming Cities Programme - Compliance		
Transport Infrastructure Assets					Contract Management Arrangements – TT2		
Service Delivery			Bus Services Grant Claim	S			
Catastrophic Event							

Assurance Level (Opinion) Key:

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

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Annexe 2

Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2021/22

Efficiency and Effectiveness

Objectives	KPIs	Targets
1) To ensure the service provided is effective and efficient.	1) Complete sufficient audit work to provide an opinion on the organisational risk areas	1) Audit opinion provided at year end
	2) Percentage of draft reports issued within 15 days of the end of fieldwork	2) 90%
	3) Percentage of audits completed by the target date	3) 85%

Quality

Objectives	KPIs	Targets
1) To maintain an effective system of Quality Assurance	1) Opinion of External Auditor	1) Satisfactory opinion
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. 90% for medium risk

Client Satisfaction

Objectives	KPIs	Targets
1) To ensure that clients are satisfied with the service and consider it to be good quality	1) Results of Post Audit Questionnaire	1) Overall average score of better than 1.5 (where 1=Good and 4=Poor)
	2) Results of Audit Questionnaire	2) Results classed as 'good'
	3) Number of complaints and compliments	3) No target – actual numbers will be reported

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Joint Transport Committee – Audit Committee

Date: 14 April 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 during December 2020. 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 risks regarding the achievement of its strategic objectives previously reported remain the same. Of these five risks, three are currently assessed as having a 'high' risk level due to a combination of 1 or more of the following matters:

- a) while the UK government has the ambition to raise the level of economic performance in all parts of the country towards that of London i.e. to 'level up' the economy, the government's ability to invest in transport infrastructure may be reduced due to a financial recession caused by the ongoing Covid-19 pandemic;
- b) the current drop in usage of public transport due to the impact of the ongoing Covid-19 pandemic; and
- c) the need to change behaviour in society to achieve some of the transport objectives.

The level of risk associated with the remaining nine 'organisational' risks previously reported relating to the JTC has remained stable with only one change reported since the previous update to the Committee in December 2020. The change relates to the level of funding available to the JTC where the risk level has reduced from 'red' to 'amber' due to recently announced funding opportunities which the JTC can bid for.

Recommendations

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

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 16th 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 December 2020, 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 NECA and Transport North East officers.
- 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) The level of assessed risk in relation to the future availability of funding to the JTC has been reduce from red to amber.
- c) The majority of changes relate to recent developments relevant to the achievement of the JTC's strategic objectives and the availability of future funding. These changes are recorded in the 'likelihood' section of each risk in Appendix 2. One change to note is the recent adoption of a North East Transport Plan by the JTC in March 2021.
- d) With regard to the risk regarding the 'future availability of funding' one further cause as to why future funding may be at risk has been added in Appendix 2.
- e) For each strategic risk, factors affecting the 'likelihood' of the risk occurring have been categorised between i) those which are beyond the control of the JTC and ii) those which are considered within control of the JTC, its members and its partners, e.g. Nexus.

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

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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
Risks to Achievement of JTC Strategic Objectives			
<u>1 Carbon Neutral Transport</u> 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
<u>2 Inequality and Growth of the Economy</u> 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
<u>3 Health</u> 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
<u>4 Appealing Sustainable Transport</u> 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
<u>5 Safety and Security</u> 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
JTC Organisation Risks			
<u>1 Future Availability of Funding</u> Sources and levels of funding available to the JTC to develop the North-East regions transport infrastructure within the region may reduce.	Amber 8	Decrease	Increased Funding Opportunities for JTC
<u>2 Funding Opportunities</u> 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
<u>3 Use of Funding and Resources</u> 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
<u>4 Governance Arrangements</u> 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
<u>5 Operational Capacity and Resourcing</u> 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
<u>6 Delivery of Transport Improvement Projects/Programmes</u> 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
<u>7 Transport Infrastructure Assets</u> Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained.	Green 6	Static	N/a
<u>8 Service Delivery</u> 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
<u>9 'Catastrophic Event'</u> 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	
1 <u>Carbon Neutral Transport</u> Failure to achieve the aspiration of a fully carbon neutral transport network within the JTC area by 2035.	<u>Risk Owner</u>
	Head of Paid Service (for Transport)
	<u>Risk Score</u>
	Red 12
Possible Cause(s): <ol style="list-style-type: none"> Growing demand for car travel and freight as economy grows. 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. 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. 'Range anxiety' and lack of awareness resulting in consumers opting to purchase diesel/petrol vehicles instead of Electric Vehicles (EVs). 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. High cost of Electric Vehicles when compared to diesel/petrol cars/vans. Lack of incentives (e.g. financial) for road users to adopt zero/low emission vehicles. 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. 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. Increased road traffic volumes and/or poor road infrastructure/traffic flow management causing congestion. Lack of effective carbon offset schemes. Poor infrastructures for cycling, walking and lack of segregated cycleways. Reluctance to cycle instead of using the car over perceptions that cycling is unsafe, 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 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. Safety and security concerns about using public transport, cycling or walking at particular 	
Likelihood – Medium 3 Impact – Critical 4	

times of day.

- 20 Council/transport delivery partners policies and priorities are not aligned to JTC aims/plans re carbon neutrality for transport.
- 21 The potential effect of the activities planned by JTC and its delivery partners to achieve carbon neutrality are over-stated.
- 22 Road building/widening schemes in North East e.g. A19 will attract greater road usage.
- 23 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.
- 24 Lack of confidence by residents in the use of public transport e.g. fear for safety, harassment.

Potential Impact/Consequence:

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

- a) contributing to climate change with potential for extreme weather events.
- b) 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.
- c) contributing to lower productivity in the region due to work absence for health reasons.
- d) 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 (including controls already in place)

Outside JTC Control

- 1 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.
- 2 UK government has adopted measure to improve air quality. These include:
 - a) Intention to ban sale of new petrol and diesel cars by 2030.
 - b) Investment in technological innovation re road vehicles e.g. batteries.
 - c) 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.
- 3 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.
- 4 The Covid -19 pandemic has caused:
 - a) 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.
 - b) 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.
 - c) Air quality improved during the lockdown due in part to less transport activity.

- 5 Electric charging infrastructure for taxis is currently being installed at appropriate sites across the region.
- 6 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.
- 7 The UK government is committed to funding 4000 zero-emission buses in the UK by the end of 2025.
- 8 The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use.
- 9 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.

Within control of JTC, its members and its partners eg Nexus, NELEP

- 10 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.
- 11 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.
- 12 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.
- 13 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.
- 14 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.
NELEP have provided £100,000 to conduct an EV infrastructure enabling study which will identify the EV infrastructure needs in the JTC area for up to 2025 to meet future demand. On completion of this enabling study, a budget of £500,000 is expected to be made available to install EV infrastructure at the most strategic sites.
- 15 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.
- 16 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.
- 17 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.
- 18 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.
- 19 Councils can use licensing powers to introduce emission requirements on taxi/private hire vehicles.
- 20 Nexus are in the process of upgrading the Metro' infrastructure and rolling stock to provide improved services and reliability.
- 21 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.

<p>Transport for the North (TfN), Northern Transport Acceleration Council (NTAC) to:</p> <p>a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known, and</p> <p>b) persuade government to make transport funding a priority.</p> <p>22 The Tyne Pass Scheme, a free flow scheme at the Tyne Tunnel, allowing barrier free movement is being developed.</p> <p>23 A forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.</p> <p>24 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.</p> <p>25 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.</p>	
Further Mitigating Actions	Lead Officer(s)
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
Capital projects funded by TCF Phase 2 to delivered in line with timescales	Managing Director, Transport North East
Go Ultra Low taxi project to be delivered, improving access to electric vehicle charging infrastructure for the taxi trade	Managing Director, Transport North East
Scheme promoters to deliver schemes funded through Emergency Active Travel Fund. Schemes will deliver improvements for cycling and walking.	Managing Director, Transport North East
The Go Ultra Low North East programme is to be delivered by April 2021. 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

<p><u>2 Inequality and Growth of the Economy</u></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><u>Risk Owner</u></p> <p>Head of Paid Service (for Transport)</p>
	<p><u>Risk Score</u></p>
	<p>Red 12</p>
	<p>Likelihood – Medium 3 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <p>Transport Inequality*</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> Poor planning where transport infrastructure to support new housing or business development is not adequately considered. Inadequate understanding of transport needs of residents and businesses The geographic spread of communities in rural areas means it may not be cost effective to provide public transport. 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. Lack of resources to maintain transport infrastructure and fleets to service users Costs to users of public transport provision is prohibitive due to: <ol style="list-style-type: none"> High fares e.g. as a result of inflation. 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. 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. 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. Council/transport delivery partners policies and priorities are not aligned to JTC aims/plans re transport inequality and economic growth. Residents are not aware of all the public transport services available and do not know where to go to access public transport information. Lack of innovative transport solutions to address transport inequality. 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. 	

Growth of the Economy

- 1 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) 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
 - b) Poor design of transport solutions e.g. wrong place or wrong mode of transport
 - c) 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.
 - d) 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
 - e) Lack of agreement as to the prioritisation of transport improvement projects.
- 2 Transport routes available are not sufficiently efficient for business needs e.g. long journey times, lack of safety of goods, unreliable. Causes could be:
 - a) Poor management of transport networks causing congestion on roads, poor timetabling of services e.g. rail
 - b) Lack of prioritisation for adequate maintenance e.g. roads, rail, rolling stock
 - c) Lack of adequate funding to deliver improvements to the transport network.
- 3 The 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.

Other

- 1 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:

- 1 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.
- 2 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.
- 3 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 (including controls already in place)

Outside JTC Control

1. 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.
2. 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.
3. 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.
4. 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.
5. The area served by the JTC has approximately a third of its population living in rural communities.
6. East-west connectivity from the region is slow via road and rail
7. The Metro is currently accessible to 40% of the population with bus use per household the highest in England outside London.
8. The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use.
9. 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.

Within control of JTC, its members and its partners eg Nexus, NELEP

10. 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.
11. 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.
12. Nexus are currently completing a programme of Metro infrastructure improvements and are starting a programme of replacing its rolling stock.
13. 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:
 - a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known, and

- b) persuade government to make transport funding a priority.
- 14 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
- 15 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.
- 16 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.
- 17 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.
- 18 A final business case has been submitted to for the development of the Northumberland Line, a new train line between Ashington and Newcastle. A funding decision is awaited.
- 19 A forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.
- 20 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.
- 21 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.

Further Mitigating Actions	Lead Officer(s)
Continue to make the case to government for urgent investment in the East Coast Main Line north of York	Managing Director, Transport North East
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
Capital projects funded by TCF Phase 2 to be delivered in line with timescales.	Managing Director, Transport North East
Scheme promoters to deliver schemes funded through Emergency Active Travel Fund. Schemes will deliver improvements for cycling and walking	Managing Director, Transport North East
JTC 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

<p><u>3 Health</u></p> <p>Failure of the transport system to achieve the planned outcomes to contribute to the improvements in health of the population in the JTC area.</p>	<p><u>Risk Owner</u> Head of Paid Service (for Transport)</p>
	<p><u>Risk Score</u></p>
	<p>Amber 8</p>
	<p>Likelihood – Low 2 Impact – Significant 4</p>
<p>Possible Cause(s):</p> <p>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:</p> <p>Active Travel</p> <ol style="list-style-type: none"> 1 Fear for personal safety, perceived or real. 2 Lack of time to make journeys using active travel. 3 Convenience and comfort of using the car (e.g. carrying heavy/bulky items, avoiding bad weather). 4 Unwillingness to take part in active travel. 5 Lack of facilities to support active travel e.g. changing/showering/locker facilities, secure cycle parking. 6 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. 7 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. 8 Plans and policies, e.g. council Local Plans, do not take into account the active travel agenda. 9 Lack of support/confidence to change travel behaviour to active modes and lack of confidence in ability to cycle, particularly on roads. 10 Insufficient promotion and knowledge of existing walk/cycle routes. <p>Air Quality</p> <p>Refer to possible causes re Strategic Risk 1, Carbon Neutral Transport.</p> <p>Other</p> <ol style="list-style-type: none"> 1 Lack of available funding to develop or maintain infrastructure. 2 Policies of JTC and other stakeholders e.g. councils are not aligned. 3 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. 4 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. 5 Lack of committed long term funding at local, regional or national government level. 6 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:

- 1 Continued overcrowding of public transport e.g. trains and buses exacerbated by social distancing due to the Covid-19 pandemic will continue
- 2 Levels of congestion on roads will not be reduced, therefore air quality will not improve.
- 3 Road casualties will not be reduced.
- 4 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
- 5 Levels of absenteeism from work due to ill health will be not reduced so productivity declines.
- 6 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 (including controls already in place)

Active Travel

Outside JTC Control

- 1 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.
- 2 Government has also provided funding to:
 - a) Improve cycling facilities at railway stations
 - b) Provide programmes to support walking to school
 - c) Cycling UK to provide bike maintenance and cycling classes.
- 3 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.
- 4 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.
- 5 Post Covid-19 pandemic the Government has announced a £250 million emergency active travel fund which is to be used to:
 - a) 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.
 - b) 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.
- 6 The JTC area contains many cycling routes, some of which are part of the national cycling network.
- 7 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.

Within control of JTC, its members and its partners eg Nexus, NELEP

- 7 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.
- 8 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.

Air Pollution

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

Other

Within control of JTC, its members and its partners eg Nexus, NELEP

- 1 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:
 - a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and
 - b) persuade government to make transport funding a priority
- 2 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.
- 3 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.

Further Mitigating Actions	Lead Officer(s)
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
Capital projects funded by TCF Phase 2 to be delivered in line with timescales	Managing Director, Transport North East
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><u>4 Appealing Sustainable Transport</u></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><u>Risk Owner</u> Head of Paid Service (for Transport)</p> <p><u>Risk Score</u></p> <p>Red 12</p> <p>Likelihood – Medium 3 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <ol style="list-style-type: none"> 1 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. 2 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. 3 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: <ol style="list-style-type: none"> a) Poor planning where sustainable transport infrastructure to support citizen/visitor needs, and appeal to, is not adequately considered. b) Inadequate understanding of transport needs of residents and visitors c) 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. d) 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. e) Lack of resources to maintain sustainable transport infrastructure and fleets to potential users 4 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: <ol style="list-style-type: none"> a) Level of fares and b) 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. 5 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. 6 Policies and priorities of council/transport delivery partners are not aligned to JTC aims/plans re offer of appealing sustainable transport choices. 	

- 7 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.
 - 8 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.
 - 9 Inability to plan journeys and purchase tickets seamlessly across all modes of transport and operators.
 - 10 Residents are not aware of all the public transport services available and do not know where to go to access public transport information.
- * 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:

- 1 Levels of congestion on roads and road casualties will not be reduced.
- 2 Health of population does not improve so maintaining the pressure on NHS services and costs.
- 3 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.
- 4 Levels of absenteeism from work due to ill health will be not reduced so reducing productivity.
- 5 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
- 6 The number of tourists may be reduced.
- 7 Investment in region may be reduced.

Likelihood (including controls already in place)

Outside JTC Control

- 1 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.
- 2 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
- 3 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.

- 4 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.
- 5 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.
- 6 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.
- 7 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.
- 8 East-west connectivity from the region is slow via road and rail
- 9 The Metro is currently accessible to 40% of the Tyne and Wear population with bus use per household the highest in England outside London.
- 10 Most transport operators are now very good at communicating with customers, particular via social media.
- 11 Transport operators are improving arrangements to allow users to purchase tickets seamlessly across all modes of transport and operators.
- 12 The UK government has committed funding to the development of the Northumberland Rail line project to allow passenger use

Within control of JTC, its members and its partners eg Nexus, NELEP

- 13 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.
- 14 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.
- 15 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
- 16 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.

- 17 Nexus are in the process of upgrading the Metro' infrastructure and rolling stock to provide improved services and reliability.
- 18 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
- 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:
 - a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and
 - b) persuade government to make transport funding a priority.
- 20 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
- 21 The Transport Strategy Unit at the JTC carry out research to get a better understanding of needs of users and potential users.
- 22 A forum has been set up to allow the JTC and north east bus operators to discuss bus service provision matters.
- 23 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.
- 24 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.

Further Mitigating Actions	Lead Officer(s)
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
Capital projects funded by TCF Phase 2 to be delivered in line with timescales	Managing Director, Transport North East

JTC 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 and to improve smart and integrated ticketing.	Managing Director, Transport North East

5 Safety and Security The transport system within the JTC area fails to achieve the planned outcomes regarding its safety and security	Risk Owner Head of Paid Service (for Transport)
	Risk Score
	Amber 8
	Likelihood – Low 2 Impact – Critical 4
Possible Cause(s): 1 Lack of understanding, when developing the transport network, of what users and potential users consider to be important when considering safety and security aspects. 2 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. 3 Competing priorities may compromise safety and security e.g. quicker journey times for vehicles and protection of pedestrians, cyclists. 4 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 5 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 6 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. 7 Safety incidents on public transport reported in the media can impact on how the public feels regarding levels of safety on public transport.	
Potential Impact/Consequence: 1 Current rate of death and injuries will not be reduced 2 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. 3 Improvements in health will not be achieved e.g. Potential ‘active travel’ users will not transfer due to fears re safety and security.	
Likelihood (including controls already in place): Outside JTC Control 1 UK government law and guidance puts an onus on both transport providers, transport user,	

councils and other transport stakeholders regarding safety and security.

- 2 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
- 3 The UK government has also provided funding to provide bike maintenance and cycling classes.
- 4 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.
- 5 In 2019 the UK government started a 2-year initiative to reduce road deaths and injuries.

Within control of JTC, its members and its partners eg Nexus, NELEP

- 6 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.
- 7 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.
- 8 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.
- 9 Council issued in May 2020 with statutory guidance requiring Councils to reallocate road space to allow the increase in the number of cyclists and pedestrians.
- 10 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:
 - a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and
 - b) persuade government to make transport funding a priority
- 11 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.

- 12 A new Customer Support Team has been deployed across the Metro system to address customer concerns about security and to tackle anti-social behaviour
- 13 Nexus are currently completing a programme of Metro infrastructure improvements and are starting a programme of replacing its rolling stock.
- 14 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.
- 15 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.
- 16 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.

Further Mitigating Actions	Lead Officer(s)
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.	Managing Director, Transport North East
Capital projects funded by TCF Phase 2 to be delivered in line with timescales	Managing Director, Transport North East
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

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):

- 1 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.
- 2 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.
- 3 A change in UK government transport policy, may mean:
 - a) 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
 - b) 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.
- 4 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 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 (including controls already in place):

Outside JTC Control

- 1 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.
- 2 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.
- 3 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.
- 4 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.
- 5 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.

Within control of JTC, its members and its partners eg Nexus, NELEP

- 5 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:
 - a) ensure policy makers and decision makers are aware of the transport vision, plan and policies and needs for the North East are known and
 - b) persuade government to make transport funding a priority.
- 6 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.
- 7 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.

Further Mitigating Actions	Lead Officer(s)
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>2 Funding Opportunities</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><u>Risk Owner</u> Head of Paid Service (for Transport)</p> <p><u>Risk Score</u></p> <p>Amber 8</p> <p>Likelihood – Low 2 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <ol style="list-style-type: none"> 1. Funding opportunities are missed due to lack of awareness or missing relevant deadlines. 2. Poor quality of funding applications made by JTC 3. 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. 	
<p>Potential Impact/Consequence:</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>Likelihood (including controls already in place):</p> <ol style="list-style-type: none"> 1 JTC officers' horizon scan to identify upcoming funding opportunities. 2 JTC are in regular contact with the UK government and other funding bodies to identify funding opportunities early. 3 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. 4 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. 5 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. 6 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. 7 During any application process the TSU liaises with the provider to understand clearly what it is looking for. 8 A significant proportion of funding available for transport projects is through a competitive process. 9 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 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. 	
<p>Further Mitigating Actions</p> <p>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</p>	<p>Lead Officer(s)</p> <p>Managing Director, Transport North East</p>

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.	
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3 <u>Use of Funding and Resources</u> 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.	<u>Risk Owner</u> Head of Paid Service (for Transport)
	<u>Risk Score</u>
	Amber 8
	Likelihood – Low 2 Impact – Critical 4
Possible Cause(s): 1 Poor project management. 2 Inaccurate assessment of projects costs when submitting funding bids. 3 Delays and costs for a project due to unforeseen events. 4 Lack of understanding of funding conditions including timescales. 5 Insufficient capacity and skills to manage projects. 6 Fraud and corruption.	
Potential Impact/Consequence: 1 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. 2 If the funding is not used by a deadline then funding may be lost. 3 Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans.	
Likelihood (including controls already in place): 1 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. 2 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. 3 Projects delivered by the JTC directly are managed using recognised project management principles. The TSU has the experience and skills to manage projects. 4 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. 5 Where transport projects are to be delivered by an external supplier then any work let is subject to a competitive procurement process. 6 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. 7 Funding providers provide clear conditions as to the use of funds which is published to all relevant stakeholders. 8 JTC officer are subject to relevant codes of conduct.	

Further Mitigating Actions	Lead Officer(s)
<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>

4 Governance Arrangements The governance arrangements of the JTC are not appropriate to allow effective and timely decision making and the achievement of its objectives	<u>Risk Owner</u> Head of Paid Service (for Transport)
	<u>Risk Score</u>
	Green 4
	Likelihood – Negligible 1 Impact – Critical 4
Possible Cause(s): 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: <ul style="list-style-type: none">• Lack of capacity to support the governance arrangements• Lack of clarity of roles and responsibilities• Lack of development of new working arrangements or delays in implementing proposed changes• Priorities not aligned to new arrangements.	
Potential Impact/Consequence: 1 Poor decisions may be made which are not in the interest of the North-East region. 2 Decisions may be delayed, not taken at the appropriate level or not based on the correct information. 3 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.	
Likelihood (including controls already in place): 1 All 7 LAs continue to support the JTC and its activities. 2 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. 3 The statutory role of ‘Proper Officer for Transport’ was established by the Statutory Order. 4 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. 5 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. 6 A Statutory Officer Oversight Group is in place to oversee procurement, legal, financial and other management issues relating to JTC operations. 7 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>5. <u>Operational Capacity and Resourcing</u></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><u>Risk Owner</u> Head of Paid Service (for Transport)</p> <p><u>Risk Score</u></p> <p>Amber 8</p> <p>Likelihood – Low 2 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <ol style="list-style-type: none"> 1 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. 2 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 3 Increased demand for, and changes in the nature and scope of, work re transport policy, funding bid submission and programme delivery 	
<p>Potential Impact/Consequence:</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>Likelihood (including controls already in place):</p> <ol style="list-style-type: none"> 1 All statutory officers in NECA, accountable body for the JTC are in place. Deputy statutory officers are also in place for NECA. 2 The 'Proper Office for Transport' to the JTC is in place. 3 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. 4 The JTC have adopted a budget for 2020/21 to deliver JTC activities. 5 The Transport Strategy Unit, with officers now employed by NECA and located centrally, is in place to support the delivery of the JTC objectives. 6 Partners continue to provide input to the work of the JTC via, for example, Council transport leads. 7 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. 8 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. 	

- 9 A Tyne Tunnels Manager has been employed by NECA with responsibility to the JTC.
- 10 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.
- 11 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.
- 12 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>6 <u>Delivery of Transport Improvement Projects/Programmes</u></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><u>Risk Owner</u> Head of Paid Service (for Transport)</p>
	<p><u>Risk Score</u></p>
	<p>Amber 8</p>
	<p>Likelihood – Low 2 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <ol style="list-style-type: none"> 1 Poor programme/project management. 2 Inaccurate assessment of projects costs when submitting funding bids. 3 Delays and costs for a project due to unforeseen events. 4 Insufficient capacity and skills to manage projects. 5 Fraud and corruption. 	
<p>Potential Impact/Consequence:</p> <ol style="list-style-type: none"> 1 Transport projects may not be completed or have to be delayed or the size of project reduced e.g. quality, quantity which may results intended benefits not being realised and damage to the reputation of the JTC. 2 If the funding is not used by a deadline then funding may be lost. 3 Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans. 	
<p>Likelihood (including controls already in place):</p> <ol style="list-style-type: none"> 1. 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. 2. 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. 3. Projects delivered by the JTC directly are managed using recognised project management principles. The TSU has the experience and skills to manage projects. 4. 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. 5. Where transport projects are to be delivered by an external supplier then any work let is subject to a competitive procurement process. 6. 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. 7. Funding providers provide clear conditions as to the use of funds which is published to all relevant stakeholders. 8. JTC officers are subject to relevant codes of conduct. 9. Internal Audit have received the project management arrangements for the JTC. 	

Further Mitigating Actions	Lead Officer(s)
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

7 <u>Transport Infrastructure Assets</u> Transport assets, which are the responsibility of the JTC, are inadequately managed and maintained	<u>Risk Owner</u> Head of Paid Service (for Transport)
	<u>Risk Score</u>
	Green 6
	Likelihood – Low 2 Impact – Significant 3
Possible Cause(s): 1 Lack of awareness of the existence of the asset. 2 Lack of clarity as to who has responsibility for the management and maintenance of the assets. 3 Lack of clarity as to standards required. 4 Lack of resources to maintain the assets.	
Potential Impact/Consequence: 1 Greater financial resources may be needed to rectify faults arising from poor maintenance. 2 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. 3 Financial resources earmarked for other future purposes may need to be used to complete current projects causing postponement or delays in other JTC plans.	
Likelihood (including controls already in place): 1 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. 2 The JTC holds a record of assets it is responsible for. 3 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. 4 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.	
Further Mitigating Actions 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.	Lead Officer(s) Managing Director Transport North East

8 <u>Service Delivery</u> 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.	<u>Risk Owner</u> Head of Paid Service (for Transport)
	<u>Risk Score</u>
	Green 6
	Likelihood – Low 2 Impact – Significant 3
Possible Cause(s): <ol style="list-style-type: none"> 1 Lack of clarity as to the responsibilities and duties regarding the oversight of public transport services within the region. 2 Failure to appreciate the impact of maintaining adequate levels of transport services on the economic well-being and reputation of the region. 3 Lack of resources and/or expertise to put in place effective arrangements to ensure adequate levels of transport services are provided. 	
Potential Impact/Consequence: <ol style="list-style-type: none"> 1 Loss of confidence by stakeholders, e.g. government in the JTC's ability to meet its responsibilities. 2 Loss of confidence by users of services. 3 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. 	
Likelihood (including controls already in place): <ol style="list-style-type: none"> 1 JTC's constitution makes it clear it has overall responsibility and oversight for certain statutory public transport services. 2 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. 3 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 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. 5 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) 	

Further Mitigating Actions	Lead Officer(s)
An assessment needs to be made by the JTC of its arrangements to gain assurance that issues with transport service delivery causing poor service to the public faced by transport providers e.g. Nexus, are being addressed effectively.	Managing Director Transport North East

<p>9 ‘Catastrophic Event’</p> <p>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)</p>	<p><u>Risk Owner</u></p> <p>Head of Paid Service (for Transport)</p>
	<p><u>Risk Score</u></p>
	<p>Amber 8</p>
	<p>Likelihood – Possible 2 Impact – Critical 4</p>
<p>Possible Cause(s):</p> <ol style="list-style-type: none"> 1 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’. 2 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. 3 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. 	
<p>Potential Impact/Consequence:</p> <ol style="list-style-type: none"> 1 Excessive death or people suffering injury 2 Economic activity excessively reduced due to inability of employees to carry out employment duties/activity 3 Loss of reputation to the region. 	
<p>Likelihood (including controls already in place):</p> <ol style="list-style-type: none"> 1 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. 2 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. 3 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 4 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. 	

Further Mitigating Actions	Lead Officer(s)
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 Significant Minor Insignif.	<ul style="list-style-type: none">Over half the objectives/programmes affectedMore than one critical objective affectedPartners do not commit to the Shared vision	<ul style="list-style-type: none">Significant change in partner servicesRelationship breakdown between major partners and stakeholdersSerious impact on delivery of key transport related investment plansUnplanned major re-prioritisation of resources and/or services in partner organisationsFailure of a delivery programme/major projectSerious impact on public transport services provided to users	<ul style="list-style-type: none">Inability to secure or loss of significant transport funding opportunity (£5m)Significant financial loss in one or more partners (£2m)Significant adverse impact on transport budgets (£3m))	<ul style="list-style-type: none">Adverse national media attentionExternal criticism (press)Significant change in confidence or satisfaction of stakeholdersSignificant loss of community confidence
	<ul style="list-style-type: none">One or more objectives/programmes affectedOne or more partners do not commit to shared visionSignificant environmental impact	<ul style="list-style-type: none">Partner unable to commit to joint arrangementsRecoverable impact on delivery of key transport related investment plansMajor project failureImpact on public transport services provided to users	<ul style="list-style-type: none">ProsecutionChange in notable funding or loss of major transport funding opportunity (£2m)Notable change in a Partners contributionNotable adverse impact on transport budget (£0.5m-£1.5m)	<ul style="list-style-type: none">Notable external criticismNotable change in confidence or satisfactionInternal dispute between partnersAdverse national/regional media attentionLack of partner consultationSignificant change in community confidence
	<ul style="list-style-type: none">Less than 2 priority outcomes adversely affectedIsolated serious injury/ill healthMinor environmental impact	<ul style="list-style-type: none">Threatened loss of partner's commitmentMinor impact on public transport services provided to users	<ul style="list-style-type: none">Minor financial loss in more than one partnerSome/loss of transport funding or funding opportunity threatened	<ul style="list-style-type: none">Failure to reach agreement with individual partnerChange in confidence or satisfactionMinor change in community confidence
	<ul style="list-style-type: none">Minor effect on priorities/service objectivesIsolated minor injury/ill healthNo environmental impact		<ul style="list-style-type: none">Isolated/minor financial impact in a partner organisation	

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.