



**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

METROMAYOR
LIVERPOOL CITY REGION

CORPORATE RISK REGISTER 2022-23

Audit and Governance Committee

22 March 2023

CORPORATE RISKS 2022-23



Risk 1: Accountability

There is risk that the Combined Authority does not develop and maintain sufficient capacity to deliver its obligations and responsibilities.

Risk Owner: Executive Director of Investment and Delivery

Potential impact: reputational damage, further devolution jeopardised, loss of current and future government funding/clawback, positive impacts for City Region are not maximised, withdrawal of Constituent member, resourcing/capacity of funding programmes could be inadequate due to nature of unknown or forthcoming bids.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	4	4	16				
Target	4	2	8		X		

Controls:

Assurance Framework approved by Government, delivery track record, for example Getting Building Fund, Adult Education Budget, Households into Work, use of 'single pot' approach with freedom and flexibility to manage funding deadlines, regular reporting of performance to relevant delivery boards to identify and resolve barriers to delivery, Annual Conversation with Government and associated feedback, resource funding to support delivery of projects, internal resources identified, quarterly SIF / Growth Directors update meetings, resources now agreed for transport development team, ELT regular discussions relating to internal capacity / resources.

Action Plan

Action Plan	Due Date	RAG
Strengthen collaborative approach with Local Authorities to support and develop delivery capacity and encouraging the use of pre-development funding offer.	31 March 2023	
Explore wider capacity and identify responsibilities and/or key roles including consideration of shared resources (procurement, legal etc) to improve efficiency of routes to delivery (working with all Directorates via ELT).	31 March 2023	
Recently established Task and Finish Procurement Group to consider delivery aspects for routes to delivery / efficiencies.		Completed
Action plan following report from Task and Finish Procurement Group approved by ELT and to be implemented.		Completed
Using opportunities to develop a shared vision with Local Authorities.	31 March 2023	

Risk 2: Resilience

There is a risk that the Combined Authority fails to develop and maintain robust arrangements to ensure business resilience and continuity.

Risk Owner: Executive Director of Corporate Development and Delivery

Potential impact: Reputational damage, potential fines and recovery costs, increased insurance premiums/contraction of future cover, damage to public confidence, impact on economic recovery and prosperity of the City Region, negative impact on organisation's ability to deliver on its objectives and knock-on potential effect on future devolution.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	5	4	20				
Target	4	2	8		X		

Controls:

Suite of supporting ICT policies, business continuity arrangements detailed in Business Continuity Policy, regular business continuity desk top exercises, member of the Local Resilience Forum (LRF), Cyber Essentials Plus accredited, internal Resilience Group established.

Action Plan	Due Date	RAG
Arrange IOSH training using risk management days available from insurers.	31 March 2023	
Roll out first phase of Business Continuity training to senior managers / resilience group.	31 March 2024	
Implement the lessons learned from the most recent desktop exercise (theme: energy blackout).	31 March 2023	
Deliver the Cyber Security Action Plan (consider Eurovision threat).	30 June 2023	

Risk 3: Environment

There is a risk that the City Region does not achieve its ambition of being net zero carbon by 2040.

Risk Owner: Executive Director of Policy, Strategy and Government Relations

Potential impact: Potential Impact - reputational damage, negative economic impacts for the City Region, increased costs for the organisation and associated budgetary impacts.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	4	4	20				
Target	4	3	15		X		

Controls:

“Pathway to Net Zero” document published, lobbying of Government for funding, development of sustainable transport solutions, Net Zero Delivery Board established, climate partnership involving external partners, climate and renewable energy portfolio role established.

Action Plan	Due Date	RAG
Net Zero Carbon approach incorporated into all policy development.	30 June 2023	Green
Net Zero Carbon approach to SIF projects to be developed.	30 June 2023	Yellow
Develop an affordable Net Zero delivery plan for 3-5 years.	30 June 2023	Yellow
Establish next phase of tidal project in conjunction with other renewable clean sources.	31 March 2023	Yellow
Develop a Net Zero performance monitoring framework.	31 March 2023	Yellow
Roll out climate awareness training across all Directorates.	30 June 2023	Red
Develop a delivery plan for the de-carbonisation of the Combined Authority estate.	31 March 2023	Yellow

Risk 4: Transport

There is a risk that the role of transport in supporting the social, economic, and environmental objectives of the City Region is not maximised.

Risk Owner: Executive Director of Place

Potential Impact - Reputational damage arising from lost opportunities, potentially significant financial impacts, impact on service, provision and service modernisation, impact on the City Region's competitiveness and associated impact on employment and prosperity, increased funding in transport causes increased work streams across all aspects of transport (accumulation risk) resulting in silo working / duplication, increased subsidies in relation bus network subsidy.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	5	4	20				
Target	5	3	15		X		

Controls: Delivery Boards established which include regular reporting on performance to identify and resolve barriers to delivery of key projects, Directorate Plan that aligns to Corporate Plan priorities, service specific plans to both manage business as usual and new project activities, qualified and expert staff delivering a range of transport-related services, including overseeing and operating the rail network, the bus network, the active travel network, the key route network (including tunnels) and the Mersey Ferries, appropriate Level of resource / capacity identified, ongoing work with transport partners / operators to maintain and improve service delivery, established business continuity and contingences plans for our directly operated services, recording and monitoring of use across all modes, changing services to reflect demand, ongoing negotiations with bus operators to consider medium term stability on lead in to bus reform.

Action Plan	Due Date	RAG
Work with Executive Director of Corporate Development and Delivery to establish interconnecting activities on resilience relating to transport (link to Risk 2).		Completed
Ensure transport solutions align to the wider Place agenda.	31 March 2023	
Improve evidence and intelligence to prioritise schemes /services and make evidence-based decisions.	31 March 2023	
Develop an investment programme on directly operated assets to ensure service continuity	31 March 2024	
Maximise potential of digital technology on the transport network.	31 March 2023	

Seek non-mode specific solutions to issues – employing a joined-up approach to build capacity and resources in the right place to ensure delivery objectives are met.	30 June 2023	
Ensure that all transport activity and investment strive to contribute to Net Zero ambition.	30 June 2023	
Work with Executive Director for Corporate Services to address the cumulative financial risks associated with evolving methods of transport delivery (link to Risk 6).	30 June 2023	

Risk 5: Economic Prosperity

There is a risk that the Combined Authority does not contribute positively to economic prosperity within the City Region.

Risk Owner: Executive Director of Investment and Delivery

Potential impact: Negative impacts on employment and prosperity for residents and businesses in the City Region, reputational damage, impact on future funding and extent of devolution, damage to stakeholder relationships and confidence placed in the organisation to deliver.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	5	4	20				
Target	5	2	10		X		

Controls:

Plan for Prosperity sets out priorities for economy and investment, Government engagement to ensure understanding of funding streams required to support economic growth and influence prosperity, Delivery Boards established, Assurance Framework, Evaluation Framework. SIF Funding Framework

Action Plan	Due Date	RAG
Embed Plan for Prosperity and keep under review so that content remains current and relevant.	31 March 2023	
Increased engagement with private sector, ensuring increased partnership/investment in growth projects.	31 March 2023	
Develop and deliver growth projects on prioritised basis.	31 March 2023	
Horizon scanning for funding opportunities to support economic growth.	31 March 2023	
Develop longer term view and strengthen linkages to the Investment Strategy.	31 March 2023	

Risk 6: Financial Sustainability

There is a risk that financial pressures will impact negatively on the financial sustainability of the Combined Authority.

Risk Owner: Executive Director of Corporate Services

Potential impact: Reputational damage, damage to stakeholder relationships and confidence placed in the organisation to deliver, unable to delivery on key priorities, positive impacts for City Region are not maximised.

Risk Score	Impact	Likelihood	Total	Four T's			
Inherent	5	5	25	Terminate	Treat	Tolerate	Transfer
Residual	5	4	20				
Target	5	2	10		X		

Controls: Budget monitoring and reporting processes, Reserves Policy, and strategy for use of reserves, Constitution and Financial Procedure Rules in place, income and expenditure controls, Delegated Authority and Scheme of Delegation in place, financial risk and reserves embedded into reporting, SIF Assurance Framework, established process for monitoring economic influences (i.e., Inflation, cost of living etc).

Action Plan	Due Date	RAG
Implement and maintain a dynamic Medium Term Financial Plan	Completed for 2023/24	
Develop organisational approach to the identification and delivery of budget efficiencies and income opportunities.	Completed for 2023/24	
Develop sustainable models for addressing the cumulative financial risks associated with evolving methods of transport delivery - (working with Place Directorate) (Link to Risk 4)	31 March 2023	
Collaborate with constituent Local Authorities to understand both the individual and collective financial standing given the continued economic uncertainty / financial settlement for 2023/24	Completed for 2023/24	