



AUDIT AND GOVERNANCE COMMITTEE	AGENDA ITEM No:
31st MAY 2019	PUBLIC REPORT

CORPORATE RISK REGISTER REVIEW

1. PURPOSE

- 1.1. The purpose of this report is to present to Audit & Governance Committee the latest Corporate Risk Register that has been considered by Directors in line with decision of the Committee on 28th September 2018. This report sets out the current corporate risks against themes for the Committee to consider.

RECOMMENDATIONS

Lead Officer: Kim Sawyer – Interim Chief Executive

The Audit and Governance Committee are recommended to:

- (a) Receive and review the Combined Authority Corporate Risk register.
(Appendix A)

2. BACKGROUND

- 2.1. The first draft of the Corporate Risk register was presented to the Audit and Governance Committee on 26th March 2018. It was requested that the register be amended to reflect the risks in order of Risk Level and that a Residual Risk category also be included. Whilst reviewing the register and carrying out the requested amendments, it was decided to make further additions to the register to ensure that more detail was provided during the Risk Management Process. These included adding Risk Categories, Risk Type, Controls, an Accepted Target Score, Risk Trend and a Monitoring Frequency field. At the meeting on 28th September 2018, this will be a standing agenda item.
- 2.2. Directors Management Team review the risk register monthly. In December Directors decided to review the process across the whole organisation. Each major spend project has risks attached to them and these are reviewed regularly as part of the Programme Management procedures. Any major

challenges from that are escalated as in the case of Peterborough University in the current Corporate version. In January 2019, Directors refreshed the Corporate Risk Register into themes whilst they reviewed the risks This was reported to Audit & Governance Committee in March 2019.

- 2.3. The top 12 risks for the organisation alongside mitigation activities that are in train are shown in Appendix 1 – CPCA Risk Register.
- 2.4. Please note that the table has been edited to fit onto an A3 print out that is readable. A3 copies will be available at the meeting.

3.0 CURRENT TOP RISKS

- 3.1. Following the implementation of the mitigation measures, CPCA still has 4 high risks. They are:
 - Funding availability for major Programmes
 - External Partners unable to respond to CPCA needs
 - Progress on Peterborough stalls
 - Lack of Structural resilience and insufficient internal resources

Great strides have been made in each of these areas but challenge remains. A brief summary of the issues is outlined below.

- 3.2. **Funding availability for major Programmes**
The CPCA has adopted a robust financial planning approach with the development of its Medium Term Financial Plan and appropriate resources have been allocated to move each of the major projects in the Business Plan to the next stage. Equally strong programme management has been put in place and outcomes timetables. However, the key to ultimate delivery is the wider finance that will only be partly delivered locally. This aspect is making great strides but it will remain a high risk until funding is approved from Government or secured from partners.
- 3.3. **External Partners unable to respond to CPCA needs**
The key issue here is our interface with key national providers such as Network Rail on many of our key priorities. It will remain a challenge but mitigation efforts are on-going.
- 3.4. **Progress on Peterborough stalls**
This scheme was part of the Devolution deal and identified by CPCA Board as a priority. Initial work was undertaken in partnership with potential university providers. This has helped set up some initial courses and delivered some student numbers in Peterborough. However, the detailed business case for delivering the full blown offer with 2,000 student is under review and a more targeted approach is now underway.
- 3.5. **Lack of Structural resilience and insufficient internal resources**
This is a key area for CPCA. The organisation has been reliant on interim resources during its first 2 years of operation. During this time a structural

review has been undertaken and some amendments made to the overall structure. More permanent appointments have and are in train. However, this remains a high risk during this transition and particularly around securing an in-house transport team structure. It is positive that these recruitment is underway and something for Audit and Governance to monitor.

4.0 NEXT STEPS

4.1. Each individual project currently has risks and mitigations recorded and RAG rated as part of the routine project reporting process to Directors and CPCA Board. This is now formally linked to the overall Corporate Risk Register via Directors Management Team and reported here.

5.0 FINANCIAL IMPLICATIONS

5.1. All of the work has been carried out in-house, therefore there are no significant financial implications to this activity. Any of the mitigations instigated have been met from the approved budgets for service area.

6.0 APPENDICES

6.1. Appendix 1 – The Corporate Risk Register (inc Scoring Matrix)

<u>Source Documents</u>	<u>Location</u>