

WECA Risk Register			Last Updated 30/11/2022																		
ID	Category	Risk Description	Risk Impact	Inherent Risk Score			Mitigation			Residual Risk			Trend			Risk Owner(s)			Mitigation (action) Owner(s)		
				L	I	Score				L	I	Score									
CRR030	Financial	External factors, such as energy costs, inflation and conflicts may drive the UK into recession and affect our projects and their benefit to residents.	(a) Project costs could increase by 8-10% or more in individual sectors. In infrastructure, we have quantified an £80m+ additional inflation challenge (b) Our portfolio of projects may no longer be the best route to realising benefits for residents, and additional steps may be needed to ensure benefit realisation	5	4	20	(a) Cross cutting assessment of the known and potential financial impacts on programmes and the headroom brought to committee regularly Strengthen the Commercial team, ensure specifications are tight, strong negotiations with suppliers to manage costs. There will an expectation that partners will take a share of cost rises. We have just appointed a cost and estimating partner to undertake portfolio level cost review to establish revised cost outturns; we are undertaking a re-baselining exercise to re-priorities the portfolio in light of cost pressures (b) Monitor the situation and be ready to mobilise, adapt the support available reflecting the Metro Mayors priority to develop opportunities to tackle cost of living impacts. Ensure benefit realisation is kept under review through highlight reports and the programme review board. Work with Government to make the case for additional funding and support. We have already demonstrated our ability to do this in our response to Covid which saw a combination of new business and income generating activities and the introduction of a new regional revenue fund			4	3	12	↑			Chief Executive	Director of Infrastructure Director of Investment & Corporate Services Head of Policy & Strategy				
R025	Delivery	Moving to the delivery phase and scaling up the capacity and capability across our partners to deliver additional major programmes, CRSTS, BSIP.	Capacity to deliver multiple major schemes to the same timescale. Market may not be able to meet the demand all at the same time. £250m of works in 24/25. leading to costs outside the funding envelope. Funding awarded by the government may need to be returned. Projects may not have sufficient funding from other sources to realise their benefits. Other projects may be at risk if other funding sources are reallocated.	4	4	16	1. Commercial Frameworks to enable the supply chain to deliver the scale and volumes required: we have developed our commercial strategy to build our strategic capability across the supply chain, including strategic programme delivery partner (awarded); cost and estimating partner (awarded); soon to appoint our land and property, and legal partner; and soon to go to market for our technical integrator and design/build partners 2. Prioritisation and re-sequencing exercise to minimise concurrent disruption to the network and smoothing demand on the supply chain. 3. Strengthen monitoring of scheme progress and spend through programme highlight reports. 4. Scheme progress and spend forecasts as part of the support and challenge at programme review board monthly. 5. Review of the composition and funding mix of programme, and management of substitution/funding swaps between streams to prioritise, within constraints, based on deadlines. 6. Continue to seek local flexibility of funding			3	3	9	↔			Director of Infrastructure	Director of Infrastructure Director of Investment & Corporate Services				
CRR 031	Delivery	Recruiting/retaining the skilled staff needed as the org structures around the delivery of major new programmes, in terms of the scale of the requirement, the cost of living/market pressures and the changes to senior posts/use of interims while structures are developed.	(a) Ability to attract and retain at the right level and specialism, breadth and depth is increasingly difficult in a competitive market and found to be a regional challenge. (b) Time may be needed for new and interim post holders to be fully up to speed which could lead to delays.	4	4	16	(a) Ensure that staff pay and benefits are competitive in the local and regional market, with particular focus on specialist and hard to recruit posts. Contribute to national negotiations on staff pay, alongside our regional local government partners, to influence an outcome based on balancing the cost of living challenges with budgetary pressures Strategic programme delivery partner is being brought into the organisation. (b) Interim directors have been in place for the whole financial year to date. Stable leadership team is developing structures for the organisation that reflects new funding and sustainable resources to deliver.			3	3	9	↑			Chief Executive	Head of People & Assets				
R024	Financial	Unitary Authority funding settlement from government may impact staff resource and match funding, reducing viability of projects in delivery as well as proposals/business cases in development.	Affected projects may not meet planned milestones and lead to knock on delays to benefit realisation, cost escalation / abortive costs.	5	4	20	1. Early identification in specifying resources applied, project risk logs and via the programme review board process. We are undertaking a portfolio level re-baselining exercise to establish revised and up to date cost outturns and prioritisations, to go back to DFT in summer. 2. Pipeline of proposals to replace unviable projects and realise benefits through alternative schemes. 3.Assurance Framework capable of reacting quickly.			4	3	12	NEW			Director of Investment & Corporate Services	Director of Infrastructure Director of Investment & Corporate Services				
CS-R002	Financial	There is a risk that the way that Government funds Combined Authorities, including its approach to levelling up, will result in less funding to support delivery of projects and priorities as some funding schemes come to an end.	CA capacity is currently resourced through time limited funding streams - Mayoral Capacity Fund and Business Rates Retention pilot, CRSTS and BSIP. Without confirmed longer term funding the CA would not be able to retain high calibre staff, balance its budget or deliver against its priorities, especially for deprived communities	4	5	20	Discussions ongoing with HMRC and Treasury both directly and with other Combined Authorities who are also impacted. A medium term financial plan is in place. Progress made in setting the 2022/23 revenue budget to reduce reliance on short term funding streams through more robust recharging to projects Revised structures in development to reflect delivery of CRSTS and BSIP funding streams. Continue the dialogue to make the case to Government for investment in the region			3	4	12	↔			Chief Executive	Director of Investment & Corporate Services				
R026	Reputation	The Value for Money report of the external auditor may affect our reputation with the government and residents.	The combined authority may not be as successful in future bids to the government for funding or powers.	4	4	16	The agreement and implementation of the action Plan addressing all the recommendations.			3	3	9	NEW			Chief Executive	Head of Policy & Strategy				
WECA-R003	Delivery	There is a risk that Committee members may be unable to reach agreement on key proposals, particularly in the context of imminent elections in the Unitary Authorities.	The CA would be unable to realise the opportunities and benefits emerging from the activities and projects. Funding allocations and project delivery would be delayed, increasing costs and damaging relationships and the reputation of the region.	4	5	20	Our Assurance Framework is agreed annually and sets out how funding decisions are made. Our Investment Programme is agreed. Strong partnership working arrangements are in place to ensure that proposals are developed to support and complement the priorities and objectives of the constituent councils. Noted that good progress made in the January 2022 Committee Cycle where the 2022/23 CA Revenue budget was voted through unanimously. Ongoing activity to build on the relationships with the UAs to support delivery. Political leaders working together on regional priorities to develop a shared position on proposed allocations of available funding streams.			4	4	16	↑			Chief Executive	Director of Investment & Corporate Services Head of Policy & Strategy				
WECA-R007	Legal & Governance	As with any public sector body that administers grant funding, there is a risk of fraud, bribery or corruption.	Financial loss, reputational damage.	3	4	12	Controls & prevention measures incorporated in key operational processes. Annual review of arrangements. Development of a specific fraud risk log for regular review in the service and at audit committee.			2	3	6	↓			Director of Investment & Corporate Services	Head of Finance				
CRR032	Delivery	There is a risk that supported bus services will need to be withdrawn due to higher and unaffordable contract prices caused by continuing low passenger numbers (still only 76% of pre-Covid levels at 30.11.22), fuel costs and driver shortage for operators. CLOSED AND REPLACED BY DRT RISK	Some communities will see a loss or reduction in their bus service and increased isolation from core health, leisure, shopping and employment opportunities. Fewer sustainable travel options will lead to higher car use.	4	4	16	Committee have made a decision on supported bus contracts, which now match the new contract prices to the money available by the levy. The introduction of DRT will mitigate the impact of changes to supported services.			3	3	9	↓			Director of Infrastructure	Head of Integrated Transport Operations				
CRR034	Delivery	There is a risk that the introduction of DRT services will not be fully completed by 3rd April across the whole region.	Phasing the introduction of DRT services over up to 3 months from early April, may leave some areas with out any service coverage post early April.	4	4	16	(i) Driver shortages may be mitigated by reducing the seater size of buses to reduce driver licence requirements (ii) Recruitment expertise and resources focussed on drivers, monitoring in place. (iii) Consideration to extending some supported services and seeing if we can use BSIP funds to cover these costs (iv) Appropriately resourced project team to maximise the progress to be made across all aspects of the implementation plan.			3	3	9	NEW			Director of Infrastructure	Director of Infrastructure				
WECA-R008	Delivery	The actions to address the climate and ecological emergencies arent suitably integrated within the work of the Combined Authority.	We wont be able to minimise the carbon contribution from our investments We wont enable the regional economy and infrastructure to be resilient to climate change. Our reputation will be damaged by not acting to deliver our public commitments We wont use our influence and investments to support natures recovery.	4	4	16	Under the leadership of the Head of Environment, monitoring of the CESAP is now well established. There is a focal point to bring climate impacting proposals and conversations together. Early identification of new opportunities and where delivery is at risk is now embedded. We will create a specific risk log for delivery of the CESAP which will be owned by the Environment Directorate. Recruitment exercises have enabled a fuller compliment of staff in the Environment Directorate which is enabling the start of work to integrate our goals from the CESAP into our investments and partnership across the organisation. This will take time but the work is underway.			3	4	12	↑			Head of Environment	Head of Environment				