

# CMT Risk Report

Generated Date	11 Jun 2024 16:45
Risk Criteria	
Project	CPCA Risk Register
Risk Area	Corporate
Control Criteria	
Project	Control

Corporate						
Prefix	Risk Details	Risk Cause(s) and Effect(s)	Inherent Priority	Controls Detail	Residual Priority	Actions Action Details
CRR0001	<p><b>Title:</b> Inflation</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Rob Emery</p>	<p><b>Cause(s):</b> Continued inflation against a non-inflation linked (cash flat) devolution settlement effecting the Combined Authority ability to deliver.</p> <p><b>Effect(s):</b> a) inflation on core running costs will cause them to exceed the £8m annual revenue Gainshare allocation.                      b) inflation impact on programme delivery is our buying power decreases over time due to inflation, as this continues it will impact our ability to deliver our strategic objectives without alternative funding being identified.                      c) inflation is a live issue for our delivery partners, thus they may be less likely to take on the inflation risks in fixed contracts.</p>	Very High (4:4=21)	<p>a) Lobby government to highlight our position and what will happen without a more sustainable funding solution</p> <p>b) Project delivery - enter into fixed price contracts, i.e. transferring inflationary risk to contractors.</p> <p>c) Project delivery delays mitigated by active project management to minimise slippage.</p> <p>d) Reconsideration of the use of CA powers to use financial freedoms.</p> <p>e). Engage with DLUHC to secure new devolution deal with sustainable funding at its core.</p> <p>f) Budget and project managers consider the impact of inflation on their budgets each year as part of the development of the MTFP.</p> <p>g) £2.4m put aside in 22-23 from underspend into inflation reserve to be used when/if needed to cover revenue inflation risk.</p>	Medium (3:3=13)	<p><b>Action Detail:</b> Implementation of the SAF will include active monitoring of the capital programme and create a route for projects to be accelerated to fill any space created by delays within the overall programme.</p> <p><b>Action Owner:</b> Nick Bell</p> <p><b>Current Implementation Date:</b> 22 Aug 2024</p>
CRR0002	<p><b>Title:</b> Future Funding</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Rob Emery</p>	<p><b>Cause(s):</b> a) No replacement of devolved multi-year funding streams which are coming, or have come, to an end e.g. Transforming Cities Fund, housing investment funds and Local Growth Funding.</p> <p>b) Replacement of these funding sources with centrally controlled 'calls' for CAs and LAs to bid for grants for specific projects.</p> <p>c) Potential change of government following general election may lead to different funding priorities than CPCA currently prioritises.</p> <p><b>Effect(s):</b> a) Lack of a long-term funding settlement impairs the Combined Authority's ability to plan strategic investments.</p> <p>b) Reduces the CA's ability to deliver projects considered a local priority, as only those which can attract national investment receive funding.</p> <p>c) Impact on staff retention as employment may be fixed term to match to current funding giving little certainty to employees.</p> <p>d) Potential inability to meet the aspirations contained within the original devolution deal from 2017.</p>	Very High (5:5=25)	<p>a) Optimise the CA's ability to successfully bid into funding 'calls' - strategies and new PMO functions</p> <p>b) Workshops with partners to identify opportunities to deliver projects without Government grant</p> <p>c) Lobby Government for greater freedoms and flexibilities in funding, including devolved multi-year settlements</p> <p>d) Consider use of existing CA powers to fund future programmes</p> <p>e) Manage stakeholder expectations regarding CA resources available to deliver strategic objectives</p>	Very High (5:3=22)	<p><b>Action Detail:</b> Engage with local partners, M10 colleagues &amp; DLUHC to secure new long-term funding with greater freedoms and flexibilities through the devo negotiations with DLUHC.</p> <p><b>Action Owner:</b> Nick Bell</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <p><b>Action Detail:</b> We are now working on developing the role of the PMO in line with the review completed in 2023.</p> <p><b>Action Owner:</b> Nick Bell</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <p><b>Action Detail:</b> Implementation of the Single Assurance Framework to ensure best use of remaining discretionary funding sources.</p> <p><b>Action Owner:</b> Nick Bell</p> <p><b>Current Implementation Date:</b> 22 Aug 2024</p>

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CRR0003	<p><b>Title:</b> Workforce/HR</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Nicky McIoughlin</p>	<p><b>Cause(s):</b> Current funding ending – temporary in nature Recruitment is a key issue for the CA as we look to secure permanent staff in senior and key positions. Although considerable steps have been taken there is still work to do.</p> <p><b>Effect(s):</b> Impact of workforce potential job losses and redundancy costs</p>	High (3:4=17)	<p>a) Workforce planning - redeployment of staff / temporary contracts</p> <p>b) The introduction of establishment control measures across the CA by Finance and HR (owner) brings greater control on vacancies within the organisation and improvements in the HR change/establishment control process and guidance supports this.</p> <p>c) The HR Business Partner will hold regular meetings with Executive and Assistant Directors to monitor recruitment activity and create a pipeline of work for HR to resource.</p>	Low (2:2=5)	<p><b>Action Detail:</b> Recruitment register being created, to fortnightly at ET and is extended to include planned leavers to enable us to take a more strategic view on vacancies.</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Dec 2023</p> <hr/> <p><b>Action Detail:</b> Develop workforce strategy/plan to align with Business Plan (this needs to be reviewed in context of improvement work), including specific approval for fixed term contracts linked to funding and effects of inflation.</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Dec 2023</p> <hr/> <p><b>Action Detail:</b> Keep close to ET members in the context of potential changes to funding streams as a result of the EY letter. And update recruitment tracker accordingly.</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Dec 2023</p> <hr/> <p><b>Action Detail:</b> Financial implications of funding stream coming to an end, for example, exit payments</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Dec 2023</p>
CRR0004	<p><b>Title:</b> Future viability of the CA</p> <p><b>Owner:</b> Rob Bridge</p> <p><b>Assignee:</b> Rob Bridge</p>	<p><b>Cause(s):</b> Poor governance practice identified by external auditor, DLUHC and BEIS.</p> <p>Poor delivery in some areas of the Combined Authority.</p> <p>Equivocal support from local stakeholders and limited understanding of the CPCA agenda.</p> <p><b>Effect(s):</b> Loss of confidence from our regulatory stakeholders.</p> <p>Withholding funding</p> <p>Limiting our effectiveness in tackling major local issues including fuel poverty, climate, transport, homelessness, demand for housing, cost of living crisis etc.</p> <p>LAST REVIEW COMMENTS (June 24): This risk has been reviewed, and recognises that whilst the Best Value Notice is still in place and the organisation works with the auditors that the scores remain where it is.</p>	Very High (5:5=25)	<p>a) Developing an improvement plan in order to build confidence with central government. - Complete</p> <p>b) Actions contained within original improvement plan now complete.</p> <p>c) Had a revised Best Value Notice that recognises the significant work that has been achieved and addressed most issues, a revised improvement plan is now being put in place to take forward the further actions required with the new actions.</p> <p>d) Developed and implemented a new governance model, in effect, from 31st May, 2023 - complete</p> <p>e) Improved communications between partners delivered.</p> <p>f) Partnership mapping completed to identify and develop critical strategic and operational partnerships.</p> <p>g) Particular focus now on partnerships that extend beyond the local area (e.g. EEH, OxCam Arc)..</p>	Medium (3:3=13)	

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CRR0005	<p><b>Title:</b> National policies on climate change impacting on CPCA funding</p> <p><b>Owner:</b> Judith Barker</p> <p><b>Assignee:</b> Adrian Cannard</p>	<p><b>Cause(s):</b> Changing national policy or new evidence requires compromises the deliverability of current projects or of the devolution deal objectives. (e.g. Transport Infrastructure listed in Devo Deal)</p> <p><b>Effect(s):</b> Government policy changes leading to either changes to project scopes and/or ability of the CA to secure national funding. (e.g. withdrawal of transport funding for specific schemes)</p>	Very High (4:4=21)	<p>a) Corporate Strategy approved with (a) Resilience as one of the corporate objectives, and (b) climate as one of the six capitals.</p> <p>b) Public Affairs engaging with local and national decision-makers to illustrate impact of policy changes on the area.</p> <p>c) Keeping Climate action plan up to date, keeping evidence base current.</p> <p>e) Maintaining effective networks and national and regional level to enable horizon scanning.</p> <p>Regular progress reporting on net zero progress and climate impacts to Climate partnership (quarterly) and E&amp;SC Committee.</p>	Medium (2:4=12)	<p><b>Action Detail:</b> Clear messaging on climate impacts and the need for change. Launch of enhanced website information.</p> <p><b>Action Owner:</b> Adrian Cannard</p> <p><b>Current Implementation Date:</b> 31 Dec 2023</p>
CRR0007	<p><b>Title:</b> University of Peterborough future expansion</p> <p><b>Owner:</b> Richard Kenny</p> <p><b>Assignee:</b> Jim Cunningham</p>	<p><b>Cause(s):</b> Concern over the route to deliver the vision for the expansion of the university campus which includes a desire to attract a major research and innovation led company or organisation which is aligned to the university. Future funding streams required, work continues on an OPA (Outline Planning Application) to facilitate bidding for future funding as it arises.</p> <p><b>Effect(s):</b> Hampers the deliverability of the shared vision for the university expansion.</p>	Medium (3:3=13)	<p>The wider CA finances are insulated from the performance of Prop Co 1 and Prop Co 2 by no future expenditure being reliant on financial returns from Prop Co 1 or Prop Co 2. Additional equity agreed by all shareholders to support the delivery of phase 3.</p> <p>Phase 2: Marketing underway to seek to identify tenants. Conversations with ARU regarding new shareholders agreement continue.</p>	Medium (3:2=9)	<p><b>Action Detail:</b> Working groups have been created to progress with the OPA and find solutions for the relocation of existing local amenities which currently occupy the site.</p> <p><b>Action Owner:</b> Richard Kenny</p> <p><b>Current Implementation Date:</b> 31 Mar 2024</p> <p><b>Action Detail:</b> Engage with partners to establish programme delivery for future phases / programme business case.</p> <p><b>Action Owner:</b> Richard Kenny</p> <p><b>Current Implementation Date:</b> 31 Mar 2024</p>
CRR0008	<p><b>Title:</b> Transforming Cities Fund (TCF)</p> <p><b>Owner:</b> Judith Barker</p> <p><b>Assignee:</b> Tim Bellamy</p>	<p><b>Cause(s):</b> Delays to specific projects not meeting the timeframe for TCF funding which is March 2023.</p> <p><b>Effect(s):</b> Not spending full allocation of TCF and therefore may have a reputational impact.</p>	Very High (4:4=21)	<p>Assessing the TCF funding programme around deliverability and cost undertaken. Where schemes will no longer be delivered and there will be a funding gap we will promote alternative schemes to use the funding which hit the Sustainable Growth Ambition Strategy, TCF and Local Transport &amp; Connectivity Plan. Revised programme agreed by TIC and Board - shortfall (minor in the end) addressed through revised programme. DfT agreed approach (awaiting funding for year)</p> <p>Regular meetings with DfT to highlight the programme and project management measures in place - discussions based on quarterly returns and positive feedback received from central government. Essential that delivery partners are held to account through the Transport Programme Board and via escalation to the Place Directors.</p>	Medium (3:3=13)	<p><b>Action Detail:</b> f) Respond to government's request for information and evidence to inform their "study" - ongoing - complete</p> <p><b>Action Owner:</b> Tim Bellamy</p> <p><b>Current Implementation Date:</b> 30 Nov 2023</p> <p><b>Action Detail:</b> g) Liaise with DfT on the additional programme management tools and associated information to maintain confidence in the deliverability of the programme</p> <p><b>Action Owner:</b> Tim Bellamy</p> <p><b>Current Implementation Date:</b> 30 Nov 2023</p>

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CRR0009	<p><b>Title:</b> Governance - VfM risk relating to governance</p> <p><b>Owner:</b> Rob Bridge</p> <p><b>Assignee:</b> Rob Bridge</p>	<p><b>Cause(s):</b> The external auditor identified in July 2022 that there were:                      - Weaknesses in the Authority’s governance arrangements. As a result of these weaknesses, they were concerned that the Authority has insufficient capacity, capability and an inappropriate culture to support the effective governance and operation of the organisation and how it discharges its statutory services.</p> <p>In the annual audit report issued to the Audit &amp; Governance Committee on the 08 March 2024, the external auditor identified progress against their July 2022 concerns and noted the effective conclusion of the code of conduct investigation, that senior capacity had been significantly strengthened with the majority of senior roles now filled by permanent staff and that the authority had developed an improvement plan that was being delivered and making significant improvements against the original concerns.</p> <p>DLUHC similarly reflected the positive progress made to date on the improvement programme, but issued a new best value notice for 6 months on the 30 January 2024, focusing on the embedding of the improvements made, the need for an agreed vision and shared ambitions, further work to embed a positive culture particularly at board level and continuing work to strengthen partnerships across and beyond the region.</p> <p>DLUHC has paused the Mayoral Capacity Fund and LEP core funding for 2022/23 and 2023/24 until it is confident that sufficient improvements have been made to warrant their release.</p> <p><b>Effect(s):</b> Potential loss of the Mayoral Capacity Fund and the LEP core fund for 2022/23 and 2023/24 totalling around £2.6m unless CPCA can demonstrate the required improvement to DLUHC.</p> <p>Potential continued inability to demonstrate best value which would put at risk other potential funding sources and have a negative impact on the reputation of the Combined Authority.</p> <p>LAST REVIEW COMMENTS (June24): External and internal audit opinion has shown progress against identified issues and now we await the conclusion of the Best Value Notice and embedding Improvement Plan to review the score next time.</p>	Very High (5:3=22)	<p>Both the A&amp;G and O&amp;S Committees have been briefed on the issues and are making their own recommendations to the board and will work to support the CPCA in resolving the issues raised by EY.</p> <p>Permanent appointments have been made to all CMT roles including a permanent CEO who started in June 2023 and clear processes in place to replace any CMT role in the future with a permanent appointment as required.</p> <p>Regular engagement with external auditors, Independent Improvement Board, DLUHC and BEIS.</p> <p>Letter written by CEO to DLUHC and BEIS officials seeking release of the funds now that significant improvements have been made, or if the departments require further improvements before the funding is released to ask them to be clear about what further improvements are required.</p> <p>Improvement Plan in place since October 2022 that has delivered very significant improvements within the Combined Authority and is now moving into phase 3 of its existence to ensure that the issues raised under the latest best value notice continue to be effectively addressed.</p> <p>Revised and updated Improvement Plan that focuses on the embedding and the January 2024 Best Value Notice recognises the progress.</p>	Medium (3:3=13)	

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CRR0010	<p><b>Title:</b> Culture</p> <p><b>Owner:</b> Rob Bridge</p> <p><b>Assignee:</b> Rob Bridge</p>	<p><b>Cause(s):</b> An inappropriate culture (officers and members) can lead to a dysfunctional culture, recognised in the Best Value Notice (Jan 24).</p> <p><b>Effect(s):</b> Impact on delivery of decisions, demotivation of officers and partners.</p>	Very High (5:3=22)	<p>a) Governance review underway as part of Improvement Plan. - complete</p> <p>b) Funding secured from LGA to help develop constructive discussions between members. - complete</p> <p>Regular staff engagement and surveys have shown progress on organisation culture and the CIVIL values have been agreed. Next stage of Improvement Plan is further embedding the culture of the organisation including the Board. Now including an annual staff recognition event, first of which takes place on 24 June.</p> <p>Ongoing engagement with Members and Officers to display appropriate behaviours.</p> <p>Evidence pack to IIB and DLUHC has been developed and is a live document being added to as and when stakeholder engagement and delivery takes place.</p> <p>Appraisals now include a section to review individuals value and behaviour performance.</p>	Medium (3:3=13)	
CRR0012	<p><b>Title:</b> Financial - Underspend</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Rob Emery</p>	<p><b>Cause(s):</b> Underspend on work programmes</p> <p><b>Effect(s):</b> Underspend damages our credibility with our Members and partners impacting the desirability of the CA as a delivery partner both locally and nationally. The delay between delivery on ground and expenditure being reported by the CA impacts the ability of the CA to make informed project decisions.</p>	Very High (3:5=20)	<p>a) Implementing self service financial reporting which will enable project managers to more easily identify if there is a disconnect between project delivery and expenditure.</p> <p>b) Financial RAG ratings are in place so it can be seen immediately as part of the monthly performance reporting.</p> <p>c) Active programme/project management by those responsible within the CPCA.</p> <p>In process of introducing work in progress commitment accounting</p> <p>Working with our external project partners on provide accurate and timely reporting data</p>	Medium (3:3=13)	<p><b>Action Detail:</b> Development of directorate self service reports including RAG rating. This work will be supported by corporate project management, budget management and risk training.</p> <p><b>Action Owner:</b> Rob Emery</p> <p><b>Current Implementation Date:</b> 30 Sep 2024</p>
CRR0013	<p><b>Title:</b> EQIA</p> <p><b>Owner:</b> Edwina Adefehinti</p> <p><b>Assignee:</b> Reena Roojam</p>	<p><b>Cause(s):</b> Not meeting Equalities legislation</p> <p><b>Effect(s):</b> Risk of enforcement by judicial review as CA has not met with public sector equalities duty.</p>	Very High (5:3=22)	<p>Each project will undertake an EQIA as part of the Single Assurance Framework.</p> <p>EQIA training will be undertaken as part of the SAF training programme.</p> <p>EQIA policy needs to be developed prior to the equalities impact assessment</p>	Medium (3:3=13)	<p><b>Action Detail:</b> EQIA legal review to be undertaken</p> <p><b>Action Owner:</b> Sam Hennerley</p> <p><b>Current Implementation Date:</b> 30 Nov 2024</p>
CRR0014	<p><b>Title:</b> Cyber Security</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Nathan Davies</p>	<p><b>Cause(s):</b> Cyber Security incident due to: Unauthorised applications Human error Mislaidd equipment Breach - network / data Fraudulent activity due to phishing attempts</p> <p><b>Effect(s):</b> Potential loss of data and systems and inability to operate business critical services. This would lead to reputational damage as well as potential financial loss.</p>	Very High (5:4=24)	<p>a) Data recovery - cloud based organisation.</p> <p>b) Recovery time - due back in minutes.</p> <p>c) Devices stock held to reissue equipment</p> <p>d) All devices are encrypted to protect from unauthorised access.</p> <p>e) Data access role based.</p> <p>f) Active monitoring on all systems.</p> <p>g) Yearly training to educate end users.</p> <p>h) Large number of system controls re. login protection - two factor authentication.</p> <p>i) SOCITM Cyber Essential accreditation done yearly.</p> <p>j) Remedial funding from DLUHC to support Cyber Security.</p>	Medium (3:2=9)	

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CRR0015	<p><b>Title:</b> HR Operations</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Nicky Mcloughlin</p>	<p><b>Cause(s):</b> Configuration restrictions on Citrus System support the needs of 120 strong organisation Weaknesses in our recruitment and onboarding processes</p> <p><b>Effect(s):</b> a) Citrus doesn't meet business needs, too rigid (CPCA trying to fit the system rather than system working for organisation) b) Integration to payroll and external systems does not allow transfer of data c) Lack of integration creates inaccuracies and human error d) Non compliance around onboarding new starters such as right to work in UK, referencing, contracts e) Inefficient system, manual reporting required with current system.</p>	Very High (4:4=21)	<p>a) Digital review has been undertaken to identify system challenges and issues</p> <p>b) Quick wins have been identified and implemented.</p> <p>c) Long term solution HRIS to be agreed and new system procured which will generate process improvements and efficiencies</p> <p>d) Retrospective checks taking place over coming months on existing processes</p> <p>e) New staff added to the HR team</p>	Medium (3:2=9)	<p><b>Action Detail:</b> Budget for business change (review all HR processes) and technology circa £30k p.a. Implementation costs circa £50k</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <hr/> <p><b>Action Detail:</b> Budget for business change (review all HR processes)</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <hr/> <p><b>Action Detail:</b> Phased approach to implementation starting with recruitment to application tracking software (our biggest challenge as we grow).</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <hr/> <p><b>Action Detail:</b> Core HR system, performance management, learning and development, and payroll.</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p> <hr/> <p><b>Action Detail:</b> HR staff to be upskilled.</p> <p><b>Action Owner:</b> Paul Lowes</p> <p><b>Current Implementation Date:</b> 31 Jul 2024</p>
CRR0017	<p><b>Title:</b> Subsidiary companies and shareholder membership</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Edwina Adefehinti</p>	<p><b>Cause(s):</b> Lack of day to day management of these companies</p> <p><b>Effect(s):</b> Financial and reputational issues from company decisions</p>	Medium (3:3=13)	<p>Shareholder/Investment Committee establishment with regular oversight of the companies.</p> <p>CPCA appoint directors on boards of these companies.</p>	Low (2:1=3)	
CRR0018	<p><b>Title:</b> Net Zero Hub / HUG2</p> <p><b>Owner:</b> Janice Gotts</p> <p><b>Assignee:</b> Maxine Narburgh</p>	<p><b>Cause(s):</b> 15% Admin &amp; Ancillary (A&amp;A) spend cap alongside smaller capital delivery</p> <p><b>Effect(s):</b> Funding for centralised costs may not be sufficient to stick within the 15% Admin &amp; Ancillary (A&amp;A) cap, leading to breach of MoU conditions with potential liability for CPCA to fund some costs.</p>	High (3:4=17)	<p>Modelling and looking at cost control as part of the change request</p> <p>Working with our supply chain to maximise capital delivery per property.</p> <p>Review end of Q1 our progress and then decide on further controls</p>	Medium (3:3=13)	