

**Report to:** Authority  
**Agenda item:** 10.1  
**Date:** 25 March 2014  
**Subject:** BTPA Strategic Risk Report  
**Sponsor:** Authority Finance Director  
**For:** Noting

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## 1. Purpose of paper

- 1.1 To update Members of the Authority on the progress of the BTPA Strategic Risk Register (SRR) and to provide assurance that the risks identified are being managed appropriately. The SRR was last submitted to the Audit and Risk Assurance Committee on 04 March 2014.

## 2. Work completed

- 2.1 The Authority's SRR is detailed in Appendix 10.1a.
- 2.2 The risks were reviewed and updated by the Authority's Senior Management Team on the 28 February 2014. The register is reviewed and updated regularly.
- 2.3 A number of the risks can only be managed to a certain level and the Authority highlights those outside of our control to the DfT. We continue to share our strategic risk registers with the DfT at our bi-monthly meetings. A protocol is being drafted that will formalise the arrangements for the escalation of risks from the Authority to DfT.
- 2.4 Since the last Authority meeting a new risk has been added to the register - ASR65 - The 2014-15 charging model imposes increased charges for some PSA holder who subsequently challenges the model.
- 2.5 At its March meeting, the Audit and Risk Assurance Committee also agreed that risks ASR 50 (Failure to sign the PSA) and ASR 56 (LU policing requirement) should be closed as they have been completed.

### 3. Table of strategic risk ratings

The following table indicates the current ratings of all Authority strategic risks.

↑ Probability ↓	Probable and imminent (4)				
	Probable (3)			ASR 50 ASR 52*	
	Possible (2)		ASR 56	ASR 63	ASR 64
	Remote (1)				
Impact ----->		Minor (1)	Moderate (2)	Significant (3)	Major (4)
* Risks are now considered ALARP					

The risks can be grouped into the following areas:

- PSA contracts and charging post 2013/14 and 2014/15
- EPSA Contracts
- Legal anomalies (escalated from the BTP register)

#### **Risks of the post 2013/14 PSA and charging regime**

(ASR50, ASR56 and ASR65)

- Failure to have a signed PSA in place by April 2013 leads to PSA holders being in breach of licence requirement (ASR50) – No challenges have been received to date. All PSA have now been signed and it is recommended that this is closed.
- London Underground Charges and Governance (ASR 56) – The contract with TfL has agreed and signed and it is recommended that this is closed.
- The 2014-15 charging model imposes increased charges for some PSA holders (ASR65) – Weekly project meetings are being held to monitor process on the calculation of the charges.

**EPSA Contracts**

(ASR63)

- EPSA contracts not signed – Negotiations are continuing between DfT, HS1 and the Authority. A revised version of the contract has been circulated to the Authority for review.

**Legislation Anomalies**

(ASR64)

- Legislation anomalies that do not recognise BTP as a Police Force – The Home Office have worked-up the changes required, but at a Ministerial meeting it was decided that the new bill would concentrate on the Serious and Organised Crime only and would not include other omissions such as Police Conduct and appeals. These amendments are ready to be included when the next opportunity arises.

**4. Potential new risks**

4.1 The Audit and Risk Assurance Committee considers potential new risk on a quarterly basis. At its meeting in March, the Committee considered a number of potential new risks identified by the Authority's SMT and took a view that there was no need include any on the Risk Register at present.

**5. Recommendation**

5.1 The Authority is asked to note the report.