

**Report to:** Authority  
**Agenda item:** 8.2  
**Date:** 5 December 2013  
**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 Committee on 18 September 2013.
- 1.2 The Chief Executive and members of the Authority Senior Management Team (SMT) have met and reviewed the existing operational and strategic risks.

## 2. Work completed

- 2.1 The Authority's SRR is detailed in Appendix A.
- 2.2 The risks were last reviewed and updated by the SMT on the 14 November 2013. 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.
- 2.4 At the last Committee meeting it was agreed that ASR 57, 60, 61 and 62 were closed and ASR 52 is moved to ALARP.

### 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
- EPSA Contracts
- Legal anomalies (escalated from the BTP register)

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

(ASR50 and ASR56)

- 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. Discussions are ongoing with the DfT concerning one core PSA that is yet to be signed, but payments are being received.
- London Underground Charges and Governance (ASR 56) - The Authority is still waiting DfT approval on the revised contract. Weightmans are progressing the outstanding issues.

### **EPSA Contracts**

(ASR63)

- EPSA contracts not signed - Weightmans and the Authority have met with HS1 to discuss the wording of the contract and Weightmans are liaising with the DfT lawyers to progress the sign off. Its current extension expires on the 31 December 2013.

### **Legislation Anomalies**

(ASR64)

- Legislation anomalies that do not recognise BTP as a Police Force - The anomalies are being addressed via the Home Office. The Authority is awaiting an update.

## **4. Potential new risks**

- 4.1 There are a number of potential new risks that need to be highlighted to the Committee for consideration.
- 4.2 A potential risk is associated with the implementation of the new strategy and operating model and its impact on business as usual, the stakeholders and the impact on the charging model.
- 4.3 Alongside this there is a potential loss of organisational knowledge due to the current Chief Constable retiring in August 2014.

## **5. Recommendation**

- 5.1 The Committee is asked to note the attached strategic risks and consider the future inclusion of the potential risks identified in section 4 of this report.