

Standard Risk Register

Report Date	11/03/2016
Business Unit	1 BTPA Strategic Risk

Risk Ref	Cause & Effect	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required
Cause & Effect						
ASR 1	<p>Lack of management and late notification of expiring EPSA during the next 12 months or that EPSA contracts are not signed.</p> <p>Risk Owner: Charlotte Vitty Delegated Risk Owner: Victoria Tanner</p>	<p>Lack of management and late notification of expiring EPSA during the next 12 months. (eg TPE EPSA at risk due to refranchising). EPSA contracts are not signed. Ultimately effect could be that revenue is not collected.</p>	<p>I = 3 L = 2 Moderate (6)</p>	<p>Control 1: The Authority maintains and reviews a list of EPSAa with expiry dates. Divisions are therefore informed of forthcoming expiry dates of EPSA.</p> <p>Control 2: Informing the Divisions of forthcoming franchise changes and the effected EPSAs.</p> <p>There is currently a number of EPSAs at risk due to refranchising or forthcoming expiry dates during the 2015/16 financial year. The Income and Compliance Manager has been notifying and liaising with the Divisions of forthcoming contract end dates and providing assistance in drafting the new agreements when required.</p>	<p>I = 3 L = 2 Moderate (6)</p>	<p>11 March 16: No outstanding EPSAs. HS1 EPSA Contract was signed and sealed 14th Dec 15. An upcoming new risk will be the Southwestern rail franchise bidding process in 2017. This will be considered in 2016/7.</p> <p>02 December 2015 : Final negotiations are taking place. Discussions ongoing regarding the liability for costs arising from a "forced" move. 14</p> <p>September 2015: The HS1 contracts are with DfT awaiting final approval. Two NWR EPSA – Disruption and an extension for the West Coast Mainline team. Discussions are ongoing with NWR</p>
ASR 3	<p>Pension Strategy - Staff. the new strategy not being agreed nor there being any process to gain agreement of the new strategy before 1 April 2017. Impact a years costs avoidance / benefits. (NB Pension strategy regarding officers now resolved)</p> <p>Risk Owner: Charlotte Vitty Delegated Risk Owner: Charlotte Vitty</p>	<p>Pension Strategy - Staff. the new strategy not being agreed nor there being any process to gain agreement of the new strategy before 1 April 2017. Impact a years costs avoidance / benefits. (NB Pension strategy regarding officers now resolved)</p>	<p>I = 2 L = 3 Moderate (6)</p>		<p>I = 2 L = 3 Moderate (6)</p>	<p>Further consideration regarding staff pension strategy to be taken to the Remunerations committee on 23 June 2016.</p>

<p>ASR 4</p>	<p>PSA holders could legally challenge the Authority upon receipt of the 1415 actual PSA charges if they believe they have been over charged. Only challenge received so far from DBS.</p> <p>Risk Owner: Charlotte Vitty Delegated Risk Owner: Charlotte Vitty</p>	<p>PSA holders could legally challenge the Authority upon receipt of the actual PSA charges if they believe they have been over charged. The Authority could therefore be subject to judicial review.</p>	<p>I = 2 L = 3 Moderate (6)</p>	<p>Full analysis of the actual charges to ensure that any changes are fully understood and can be articulated to the PSA holders in a meaningful way. Meetings organised with those PSA holders who have concerns over 16/17 charges to explain movements in more detail. Agreement and communication of charges to be performed before financial year end to allow financial planning. Full analysis has been fully explained in the charges paper presented to the Finance Committee.</p>	<p>I = 2 L = 3 Moderate (6)</p>	<p>11 March 2016: DBS continue to challenge their 15/16 PSA charges. Washup and 16/17 charge letters have now been submitted to PSA holders (except DBS; this will be sent once a resolution regarding 15/16 charges is complete). 02 December 2015 : One challenge from DBS received so far. Washup charges to be finalised and distributed to customers before the current year end.</p>
<p>ASR 5</p>	<p>BTP not being provided the funding for the transition from Airwave to ESMCP due to BTP's different funding arrangements. - Escalated from the BTP Strategic Risk register (DCR4)</p> <p>Risk Owner: Andrew Figgures Delegated Risk Owner: Andrew Figgures</p>	<p>BTP not being provided the funding for the transition from Airwave to ESMCP due to BTP's different funding arrangements. - Escalated from the BTP Strategic Risk register (DCR4). Failure to resolve this will result in significant unbudgeted costs and potential lack of service delivery.</p>	<p>I = 3 L = 3 High (9)</p>	<p>Engagement with DfT, Home Office and other government departments who are involved. An information brief has been provided to the DfT.</p>	<p>I = 3 L = 3 High (9)</p>	<p>The Home Office has started to release some financial information which is being assessed.</p>
<p>ASR 6</p>	<p>The transfer of functions from BTP Scotland to Police Scotland leads to an increased overhead charge for the PSA holders.</p> <p>Risk Owner: Andrew Figgures Delegated Risk Owner: Andrew Figgures</p>	<p>The transfer of functions from BTP Scotland to Police Scotland leads to an increased overhead charge for the PSA holders.</p>	<p>I = 4 L = 3 High (12)</p>	<p>The DfT has been informed via an information brief. Both the Chief Executive and Chief Constable have met with the Justice and Transport Minister in September 2015.</p>	<p>I = 4 L = 3 High (12)</p>	<p>Key meeting date 06 April 2016 for further clarification on impact on BTPA.</p>

ASR 8	<p>As a result of the Pension Bill 2013-14, the Authority and in-service members will be required to pay the full rate of NI contributions from April 2016.</p> <p>Currently the Authority and in-service..</p> <p>Risk Owner: Charlotte Vitty Delegated Risk Owner: Charlotte Vitty</p>	<p>As a result of the Pension Bill 2013-14, the Authority and in-service members will be required to pay the full rate of NI contributions from April 2016.</p> <p>Currently the Authority and in-service members pay a reduced rate of NI Contributions as a result of contracting out of the State Second Pension (S2P).</p> <p>The new strategy not being agreed nor there being any process to gain agreement of the new starteg before 6 April 2016. BTPA would therefore have to pay the full cost. Additional costs being incurred due to non compliance with HMT requirements.</p>	I = 3 L = 3 High (9)	<p>Engagement with the necessary parties to implement a strategy. Discussions regarding strategy have been held at the Pensions sub group and at the November Finance Committee (via MTFP discussions).</p>	I = 2 L = 3 Moderate (6)	<p>It is agreed that the Authority would pay the Employers contribution and employees would pay increased employee contribution. Employees and pension fund trustees have been informed.</p>
ASR 9	<p>Current Number of members</p> <p>Risk Owner: Chief Executive Delegated Risk Owner: Chief Executive</p>	<p>The quorum of Members required by the Railway and Transport Safety Act 2003 is an odd number and a minimum of 11 (maximum of 18).</p> <p>There are membership renewals due in the following year. There could be delays in proceding around anything surrounding this process.</p> <p>This could also have an adverse impact on BTPAs ability to fulfil its governance requirements.</p>	I = 3 L = 3 High (9)	<p>The Authority currently has 12 members in place including the new Chairman.</p>	I = 2 L = 3 Moderate (6)	<p>BTPA to retain contact with DfT in order to get regular updates and offer support where possible . DfT have submission in hand to start a further recruitment process.</p>
ASR 10	<p>Following the findings of the recent Finance Review a number of potential areas for fraud have been identified.</p> <p>Risk Owner: Charlotte Vitty Delegated Risk Owner: Charlotte Vitty</p>	<p>Following the recent initial findings of the Finance Review a number of potential areas for fraud have been identified. This may give rise to a financial loss in the BTP Fund.</p>	I = 3 L = 3 High (9)	<p>An action plan has been developed to ensure that the areas identified are addressed. The Authority Finance Director and team are meeting the relevant BTP teams to track progress on a regular basis.</p>	I = 2 L = 3 Moderate (6)	<p>The Authority Finance Director and team are meeting the relevant BTP teams to track progress on a regular basis. The Audit Committee are to be provided analysis of progress at each Committee meeting. Final work and conclusions from the forensic work from the Finance Review to be completed by Frith Consulting.</p>

<p>ASR 11</p>	<p>Cost saving scenarios modelled as part of Cabinet Office spending review would have a material effect on BTPs ability to complete its transformation programme and as a consequence deliver the strategic plan.</p> <p>Risk Owner: Andrew Figgures</p> <p>Delegated Risk Owner: Andrew Figgures</p>	<p>Cost saving scenarios modelled as part of Cabinet Office spending review would have a material effect on BTPs ability to complete its transformation programme and as a consequence deliver the strategic plan.</p>	<p>I = 3 L = 3 High (9)</p>	<p>Various cost saving scenarios submitted to the DfT.</p>	<p>I = 2 L = 2 Moderate (4)</p>	<p>This risk has been released. Letter f DfT and answers to Parliamentary Questions have been circulated to Members.</p>
<p>ASR 12</p>	<p>There is a risk that damage to the reputation of the BTPA with DfT will occur following the Finance Review.</p> <p>Risk Owner: Charlotte Vitty</p> <p>Delegated Risk Owner: Charlotte Vitty</p>	<p>There is a risk that damage to the reputation of the BTPA with DfT will occur following the Finance Review.</p>	<p>I = 3 L = 3 High (9)</p>	<p>An action plan has been developed to ensure that the areas identified are addressed. This action plan has been sent to the DfT and regular updates are provided to the DfT with regards to goal achievement.</p>	<p>I = 2 L = 3 Moderate (6)</p>	<p>DfT have noted the action plan and are subject to progress content.</p>