

# BRITISH TRANSPORT POLICE AUTHORITY

PROTECTIVE MARKING: NOT PROTECTIVELY MARKED

---

**REPORT TO:** British Transport Police Authority  
**DATE:** Thursday 12 March 2009  
**SUBJECT:** Budget Setting – 2009/10  
Proposed Revenue & Capital Budget for 2009/10  
**SPONSOR:** Chief Executive  
**AUTHOR:** Treasurer  
**FOR:** Decision

---

## 1. PURPOSE OF PAPER

- 1.1 Under the Railways & Transport Safety Act 2003, the Police Authority is required to establish a fund to be known as the British Transport Police Fund. One of the statutory duties of the Authority is to defray the expenses of the Police Force, which must be met from the Police Fund. The Authority must, before each financial year, set a budget of the expected expenditure and income for the year. If the Authority does not set a budget before the 1<sup>st</sup> April in any year, the Secretary of State may do so instead.
- 1.2 Therefore, at this meeting, the Authority needs to set a budget of expected expenditure and income for the year 2009/10. Consideration was given to the budget at the meeting on 27th January 2009. More information was put to the Strategy, Budget & Performance Monitoring Committee on 6<sup>th</sup> February 2009. The reports on this agenda now represent the Chief Constable's proposals.
- 1.3 In setting the budget, the Authority must consult the Treasurer and the Chief Constable. This has happened.

# BRITISH TRANSPORT POLICE AUTHORITY

PROTECTIVE MARKING: NOT PROTECTIVELY MARKED

---

## 2. BACKGROUND

- 2.1 The Authority will need to approve the budgets in two parts; a revenue budget for 2009/10 and a Capital budget for 2009/10. The revenue budget will itself have two component parts; the budget out of which expenses of the Force will be defrayed and the separate budget for the Police Authority itself.
- 2.2 Item 2 on this meetings agenda is the Revenue and Capital Budget proposals for the Force. Item 4 on the agenda is the proposed revenue budget for the Authority.
- 2.3 Once the revenue budget has been set, the Authority then needs to collect income from PSA holders, for payment into the Police fund. The level of contribution from PSA holders will be increased by less than August 2008 RPI (4.8%). The overall proposed increase is budget increase is 4.4% using the level of contributions set for 2008/09 as the basis. It is proposed to offset the forecast 2008/09 under spend of £1.6m against the total budget, which would reduce the increase to PSA holders to 3.6%. These have been determined by using the charging model approved by the Authority in October 2006. However the outcome of the Judicial Review, if published before the end of March will potentially change this basis of charging. This will be dealt with in a separate paper.

## 3. CAPITAL PROGRAMME

- 3.1 For 2009/10, the Secretary of State has made available £13.0m for capital expenditure. The report from the Director of Finance and Corporate Services recommends proposed spend on capital projects of £14.5m but the force will manage within the £13.0m allocation and prioritize projects accordingly.

## 4. THE CONSITUTIONAL POSITION

- 4.1 The Authority has a statutory duty to ensure the efficient and effective policing of the railways and shall, in particular, have regard to:

# BRITISH TRANSPORT POLICE AUTHORITY

PROTECTIVE MARKING: NOT PROTECTIVELY MARKED

---

- a) any objectives set by the Authority in its Policing Plan;
- b) any objectives set by the Secretary of State (there have been none to date);
- c) any railways Policing Plan, which will include performance targets;
- d) any performance target set by direction of the Secretary of State (there have been none to date);
- e) any Codes of Practice issued by the Secretary of State; and

4.2 The Act has detailed requirements about setting a 3-year Strategic Plan and an annual Policing Plan, an exercise which the Authority has been undertaking over the last few months.

4.3 The Authority shall before each financial year set a budget of expected expenditure and income. Before setting the budget, the Authority must consult the Treasurer and the Chief Constable. The budget must be set by decision taken:

- a) by a majority vote at a meeting of the Authority;
- b) with at least half of the members of the Authority voting in favour; and
- c) with at least half of the members who vote being neither officers nor employed by a person who has entered into, or is required to enter into, a Policing Services Agreement.

4.4 The Secretary of State has power to set a budget in default.

## 5. FACTORS TO TAKE INTO ACCOUNT IN SETTING THE BUDGET

5.1 As the Authority was established under Statute, you are required to comply with your statutory duties. They are listed above. In complying with your statutory duties, you must act reasonably – that is take into account only those factors that are relevant and ignore any factors that are irrelevant. In bringing forward this budget, the Chief Constable's proposals take into account the discussions that have taken place locally

# BRITISH TRANSPORT POLICE AUTHORITY

PROTECTIVE MARKING: NOT PROTECTIVELY MARKED

---

with PSA holders about local policing priorities. This process followed the agreement reached with the industry in the Working Together Group that this represented the best way forward to secure local stakeholder engagement. The process fulfills the common law requirement on the Authority to consult the industry in particular before determining a budget.

# BRITISH TRANSPORT POLICE AUTHORITY

PROTECTIVE MARKING: NOT PROTECTIVELY MARKED

---

## 6. RECOMMENDATIONS

- 6.1 That Members agree a budget for the overground police force of the BTP amounting to £201,315m in respect of 2009/10. This represents a year on year increase of 4.4%. The charge to PSA holders will be reduced by the projected 2008/09 under spend of £1.6m, resulting in an increase in charges to PSA holders of 3.6%
- 6.2 That Members agree a budget for the underground police force of BTP amounting to £51.667m in respect of 2009/10 on the basis of the current firm indication from TfL and to delegate authority to the Chief Executive to approve any minor amendment if required.
- 6.3 That Members agree to the capital programme proposed by the Director of Finance and Corporate Services amounting to £13.0m for 2008/09.
- 6.4 That Members agree a budget of £1.937m in respect of the Police Authority for 2009/10.
- 6.5 That members agree that charges to TOC for 2009/10 should be set at a level to recover these costs, and that the Chief Executive & Clerk be authorised to levy charges and render appropriate accounts to PSA holders, subject to the potential impact of the outcome of the Judicial Review.