
BRITISH TRANSPORT POLICE AUTHORITY

MINUTES**STRATEGY, BUDGET & PERFORMANCE MONITORING COMMITTEE****6th FEBRUARY 2009, 10.00AM****at****MEZZANINE SUITE - HOLIDAY INN, CAMDEN LOCK**

Present: **Ms M Banerjee (Chair)****Mr I Dobbs****Mr M Holden****Ms C Knights****Mr J King****Mr R O'Toole****Mr J Weimar****Apologies:** **Sir David O'Dowd****Mr R Gisby**

In attendance: **Mr A Trotter, Deputy Chief Constable**
Mr P Crowther, Assistant Chief Constable Crime (part)
Mrs S Burd, Director of Finance and Corporate Services
Mr P Ziemiński, *Frontlinefirst* Programme Director
Mr M Jennings, Finance Consultant
Mr H Waller, *Frontlinefirst* Project Manager
Ms M Daniels, Acting Head of Strategic Development
Ms V Delices, Secretariat Manager

Mr R Hemmings, Chief Executive**Mr P Haddock, Deputy Chief Executive****Miss L Barrick, Business Support Manager & Minutes****01/2009 APOLOGIES**

Non-Agenda

The Chairman gave apologies from Sir David and Mr Gisby.

02/2009 MINUTES OF MEETING 18th NOVEMBER 2008

Agenda Item 1

The minutes were approved as an accurate record.

03/2009 MATTERS ARISING

Agenda Item 2

The Chair updated that Mr Hemmings was writing terms of reference for a review of Member Portfolio responsibilities.

All other actions had been discharged.

04/2009 UPDATE ON FRONTLINEFIRST

Agenda Item 3

The key focus for 2009/10 would be on the Crime and Operations Portfolios. A review of the intelligence function was currently being scoped. There were also plans to look at the control rooms once the new structure had bedded in, to see if there were any further efficiency savings that could be found in this area.

A pension salary sacrifice scheme was being looked into, which would reduce national insurance contributions for both the employer and employee. Whether this could be considered a taxable benefit was currently being explored.

It was explained that the use of penalty notices for disorder, special constables and mobile data were considered non-cashable savings as these were seen as productivity gains.

There was a concern that the 2009/10 *Frontlinefirst* Delivery Plan was sparsely populated for Areas. The Force responded that there were more challenges around the *Frontlinefirst* programme as the easier savings had already been identified and made. The project would now be focusing on headquarters departments and looking at rostering and staffing in the longer term.

It was noted that performance had improved with the resources being put back into frontline policing.

The report was **noted**.

05/2009 PERFORMANCE REPORT

Agenda Item 4

The Force had done some outstanding work throughout the year. This was demonstrated in its detection rates which had improved significantly. There had also been a significant reduction in robbery offences. The price of copper had fallen which had helped to reduce cable theft but the Force had also increased its detections in this area. The only issue with the raised detection rates was how far these could be pushed in the 2009/10 Policing Plan.

The Deputy Chief Constable particularly paid tribute to Chief Superintendent Newton in London North where there was a 53% detection rate for robbery, and London South Area where Neighbourhood Policing Teams (NPTs) were doing a good job.

The Force was struggling with vending machine offences. LU Area had also not been performing to its optimum but there were now some real results coming through with increased detections and crime reduction.

It was considered that the target structure was working well. The Area Commanders had been given a degree of flexibility within their budgets to meet targets and this had proved successful.

The Members asked what was driving the Quality of Service target. The Force responded that there were issues around cycle and vehicle crimes where there was dissatisfaction with the amount of action taken, but this was not seen as a priority crime by the Rail Industry. There were issues around taking officers off stations to watch CCTV and also for the Train Operating Companies (TOCs) in retrieving CCTV from providers on occasion. It had also been noted that if victims of crime were contacted satisfaction levels appeared to rise, but there was an investment issue here. Members felt that vehicle crime should be more of a priority and it was becoming an indefensible position for TOCs as car parking charges rose. It was noted that this would be a good partnership target as the CCTV was owned by the TOCs. It was suggested that the Force speak with the TOCs more strategically on this issue.

The Committee asked if the split between passenger and staff satisfaction could be presented. The Force had looked at this and found that staff satisfaction was at 89.1%, which was very high, and 74.1% for passengers, demonstrating the priority given to Rail Staff. The numbers involved were small but the main issues from passengers related to a lack of feedback and/or lack of outcome. The Committee requested that this split continue to be reported for monitoring.

The diversity targets were not being achieved. It was suggested that these had not been appropriate targets at the outset, as the Force actually was a leader in respect to the number of BME staff and officers employed and these targets did not reflect this. A lot of work was being conducted on changing the BTP culture and it was considered that targets around this could be more useful. The Force agreed that it needed to be more intelligent on how it put these targets together and said that it had not liaised with the support groups well enough. It was noted that these targets were monitored by the HR&R Committee and not the SR&CS Committee as indicated in the report.

The sickness absence levels were on a downward trend in the long-term. The sickness figures were being benchmarked against other public service organisations and the Force was one of the leaders in this area.

The Committee asked how much the improved performance had relied on the goodwill of the officers to achieve the targets. The Force answered that there were now strong senior teams in place that certainly helped in the achievement of the targets and there was a chance that returns could begin to diminish as time went on. To try and avoid such a situation the Force was looking at its rostering arrangements but it was felt that there was more to come out of the Organisation. The next phase for the Force was for a greater understanding of the detail and the barriers and enablers of good performance.

The Committee recognised the good work that had been done and thanked the Force for its hard work and determination.

Agreed:

- **The Force to speak with the TOCs more strategically on the vehicle crime issue.**
- **The passenger/staff split for satisfaction continue to be presented for monitoring.**

06/2009

Agenda Item 6

DRAFT REVENUE AND CAPITAL BUDGET PROPOSALS 2009/10

The Committee noted its statutory responsibilities and that the Force had been working in good faith, as there had been acceptance from ATOC that the Force would be working towards a 4.8% increase as recently as December. However, the Committee also recognised that these were difficult and unusual times economically. It was difficult to predict the coming year and what its effect on transport would be. The industry appeared to be noticing slower growth but the drivers for this were not clear. There was also the question as to how the economic situation would affect crime rates with the suggestion that these may rise. In the longer term RPI may not be the most appropriate measure against which to set the budget and a business case approach would be more viable. The Committee agreed the extraordinary circumstances outlined had to be considered in budget setting.

The Rail Industry Members considered the opening comments to be fitting considering the current economic situation. However, they had serious concerns regarding paragraph 2.13 in the report and asked that this be disregarded and removed. The references in it were considered to be incorrect and unhelpful. The Rail Industry was facing a very difficult period and an understanding of the full context of this situation was needed. The need to work together with the Rail Industry was clear to all the Committee Members and it was agreed that the paragraph would be removed. It was further requested that if others wished to make written comments they should be tabled in separate paper.

The Force said that partnership was essential and it would not want to damage its relationship with its stakeholders in any way. It added that it was not insensitive to the Industry's situation. Much progress had been made in the last few years in listening to the Industry and improving local tasking arrangements to ensure that the Industry had a clear voice.

The original budget had been presented recognising that changes would need to be made, and these were the best figures that could be produced in the time between meetings. It was noted that the NPTs had made a difference and seemed to be working well. The Force said it would work in any funding envelope that it was given. However, there was a three-year fixed salary increase that had to be honoured regardless of the budget approved, which could lead to

serious issues. The impact of the 2009/10 budget on 2010/11 would also have to be carefully considered.

The Passenger Representatives noted the economic climate but added that care had to be taken to ensure that short-term uncertainties did not overly impact the long-term strategy. Pressures on the Industry were rapid but this was likely to be inversely related to the Force which may well see crime rates increase. There was also the concern that the efficiency scheme would find it harder to deliver savings in 2009/10 and moving forwards, as the easier targets for delivering efficiencies had already been exploited. The risks that the Force could be exposed to had to be clear, and along with the impact that any budget settlement could have on the service to staff and passengers. It was noted that the Force had done some excellent work in the last year but at the same time it had to be considered whether the Force had reached a level of service that was acceptable.

Some Members felt that the 2.6% budget option had to be explored along with its implications. It was noted that the *Frontlinefirst* programme had made a big impact but Members felt that there needed to be a focus on the core budget and the core part of the service for 2010/11. There was also discussion around setting a two-year budget and whether this would be achievable, but it was considered that in the uncertain economic times this would be very difficult to secure. However, it was agreed that the work for 2009/10 would be need to be presented with an outline of 2010/11.

It was suggested that in the uncertain economic climate any growth aspects of the budget be deferred to the second half of the financial year. There was also discussion around whether the underspend from 2008/9 could be used to pay off the government loan faster, rather than having this in 2010/11, which would reduce the pressure on that year.

The Committee agreed that the Authority could not go ahead on the August RPI figure of 4.8%. It was noted that the situation was difficult for the Rail Industry but also that any change to 4.8% would not come easily and would have implications for the Force. It was also agreed that any reduction should come out of growth as there was not enough time to fully review the baseline. However the Committee asked that a new baseline be created as a starting position for 2010/11. They also tasked the Force with looking at the implications of paying back the loan early.

It was agreed that the situation was far from comfortable. However, it was felt that if the evidence to support these was awaited it would be too late to make the correction.

The Committee concluded that it wanted to build a budget on an inflation/growth figure below 4.8%. This was considered to be a balanced judgement for the funding community and the Force, which could not avoid the economic situation. The Committee asked that

the Force come back to the Authority with a budget of less than 4.8%, with the full implications of this and with the risks clearly articulated. The budget settlement would need to be considered with 2010/11 in mind.

The Force said that it would review the budget again and do its best to come back with something acceptable to the Authority and its funders.

Agreed:

- **Paragraph 2.13 be disregarded and removed from the report.**
- **That the current financial difficulties should be recognised, and that the Authority should respond by renewing discussions around the understanding of the RPI increase.**
- **The Force to create a new baseline for 2010/11.**
- **The Force to look into the implications of paying back the loan early using the underspend.**
- **For planning purposes for years beyond 2010/11, figures around 2.6% should be explored.**
- **For 2009/10 the Force to present proposals to the Authority at a figure of less than 4.8% increase, using 4.4% as a guideline.**
- **Any proposals should identify the risks attached to any them together with an assessment of how more limited growth could be achieved.**
- **The capital programme as presented be recommended to the Authority for approval.**

07/2009

BTPA BUDGET 2009/10

Agenda Item 7

The proposals were noted and the Chief Executive was asked to present a budget taking into account the discussions around the Force's budget.

Agreed:

- **The Secretariat to present a budget to the Authority meeting working within an increase of 4.8%.**

08/2009

CUSTODY PROVISION

Agenda Item 5

The Force was increasing the provision of BTP owned custody facilities as its policing style and strategy increased its reliance on the availability of custody facilities.

The Blundell Street site had been discounted as a custody facility as the costs to adapt the building for this purpose had escalated significantly making the project unaffordable. The site had been considered for other uses and this was now under review. A new site nearby was being explored as an alternative where a modular system could be used and tenders for this work were in process.

The costs of this were estimated at £3.5M capital and £1.4M revenue and were factored into the budget proposals.

Outside of London the Force had some facilities in Manchester, Birmingham and Liverpool, but these later two were being closed as they did not meet the standard required. However, new facilities were being located.

London was where the main requirement for custody facilities was. Currently there were two designated facilities at Ebury Bridge and Tottenham Court Road. There were also a few smaller non-designated facilities. One issue that the Force had was the lack of exercise facilities at its custody facilities which meant that they could not be used to hold prisoners who were serving sentences and were taken out of prison for questioning on other matters.

The lack of custody facilities had implications for officer productivity as it was often the case that arrests would lead to extended abstraction as significant time was spent locating a custody facility with space at another Force. This also raised issues around the loss of supervision and quality assurance of investigations, loss of focus on BTP priorities when considering case disposal, and increasing debate regarding cost of providing custody facilities to BTP. It was further noted that the lack of custody facilities was a disincentive to officers to arrest offenders for low level offences. This was apparent on London North where there was no dedicated BTP facility and a low arrest rate compared to other Areas.

The Force had looked at various possibilities to increase its custody facilities including renting space from the Metropolitan Police Service (MPS), but this had been discounted by the MPS. Therefore the best option left was for the Force to invest in developing its own facilities. This included identifying new facilities and upgrading some current facilities to designated status.

The Committee thanked Assistant Chief Constable Crowther for the update and offered its strong support for the improvement in the custody capability and the efficiency savings this would bring in terms of productivity.

The capital provision of £3.5M was **approved**.

09/2009

Agenda Item 8

PENSIONS REPORT

The report updated on the Police Staff Fund valuation. This had shown a deficit and it had been agreed with the Trustees that the employer and employee contributions would be slightly increased to offset this. The Police Officer Fund was due for a valuation at the end of 2009.

The transfer situation between BTP and Home Office forces had been considered by the pension administrators and deemed to be broadly cost neutral. There had been a meeting with the new

Secretary of State for Transport and the new Rail Minister where there appeared to be significant political will to resolve the current pensions situation. It had been suggested to use the provision of an amendment in the Policing and Crime Bill to amend section 97 of the Police Act 1996 to introduce a regulation-making power to make changes that would facilitate greater movement of officers between BTP and Home Office forces. Mr Haddock was looking at the timetable for this, as this would be time critical and would be managed on a week-by-week basis.

Agreed:

- **Mr Haddock to find out what the timetable was for getting this amendment in the Bill.**
- **The work to be managed on a week-by-week basis to ensure the deadline is met.**

10/2009 2008/9 BUDGET – UNDERSPEND RESULTING FROM VAT DECREASE

Agenda Item 9

The Committee agreed in its discussion of item 6 that the VAT underspend would be considered in the wider context of the 2009/10 budget, but that no direct refunds should be made.

11/2009 AOB

Agenda Item 10

There was no AOB

DATE OF NEXT MEETING: Wednesday 24th June 2009 at 10.00am

Signed.....

Chairman