

BRITISH TRANSPORT POLICE AUTHORITY

Report to: Strategy, Budget and Performance Monitoring Committee

Date: 24th June 2009

Subject: BTPA – Financial Results 2008/09

Sponsor: Treasurer - BTPA

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For: Noting

1. PURPOSE OF PAPER

This paper informs the Committee of the final spend incurred by the Authority for the period ended March 2009, compared to budget.

2. BACKGROUND

The spend against budget for the Authority is summarised below:

	<u>2008/09</u> <u>Actual</u>	<u>2008/09</u> <u>Budget</u>	<u>Variance</u>
	£'000	£'000	£'000
<u>Staff costs inc. expenses</u>			
Staff	501	532	31
Members	269	277	8
Total staff costs	770	809	39
<u>Non staff costs</u>			
Premises and Office Costs	103	129	26
Travel and Transport costs	28	31	3
Internal audit fees	160	160	0
External audit fees	120	110	(10)
HMIC inspections	79	131	51
Legal costs	198	225	27
Consultants	107	136	29
Recruitment	101	35	(66)
Other costs	148	99	(49)
Total non staff costs	1,045	1,056	11
TOTAL BTPA COSTS	1,815	1,866	51

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3. COMMENTARY

Overall the Authority was underspent by £51k. Total staff and members' salaries and expenses were underspent by £39k. The staff salaries were slightly underspent largely due to the vacancy of the Deputy Chief Executive. Member salaries and expenses were underspent because of one Member vacancy and a Member joining part way through the year.

Non staff costs were underspent by £11k. The major underspend of £51k was against HMIC costs, as these came in significantly lower than expected and this has been reflected in the budgeting for 2009/10.

External audit costs were overspent by £10k following additional work by the NAO on the IFRS balance sheet for the previous year.

Legal costs were underspent by £27k. Despite the Judicial Review having concluded further costs are being incurred in 2009/10 and there is the possibility of an appeal against the judgment by other interested parties. A budget of £212k has been set aside specifically for the disputes in 2009/10.

Recruitment costs were overspent by £66k as the Deputy Chief Executive recruitment was run a second time and some of these costs were then incurred in 2008/9. The Chief Constable recruitment went beyond the amount budgeted as the recruitment consultants took on a larger role than had been anticipated due to the increased workload on the secretariat with the disputes.

Other costs are overspent by £49k. This is due to a variety of smaller overspends principally in subscriptions, conferences, printing and catering.

4. FINANCIAL AND RISK IMPLICATIONS

The emerging risk from 2008/09 is the award of legal costs following the Judicial Review. The full extent of these is, as yet, unknown but it is estimated that the bill will total around £1m above the 2009/10 budget of £212k. This has been discussed with the BTP Head of Finance and provision will be made in 2009/10.

5. DIVERSITY ISSUES

There are no diversity issues.

6. RECOMMENDATIONS

The Committee notes the underspend in the previous financial year and the risk on legal costs emerging in 2009/10 as a result of the judicial review and the arbitration process.