British Transport Police Authority

Annual Business Plan 2011/12

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1. Introduction

This Business Plan describes the objectives of the Authority for the financial year 2011/12. The Plan reviews the context against which the Authority and Executive's objectives are set, including the economic environment, stakeholder feedback and Government briefings.

The purpose of the Plan is to provide a mechanism against which organisational success can be measured. Therefore, the Plan includes committee and group priorities at section six and a breakdown of responsibilities by cluster at Appendix A.

2. The Context of the Plan

The 2010/11 business year focused on implementing the new Business Cycle and finalising the outstanding issues relating to the Judicial Review. Additionally, as a result of the recession and public spending cuts there was a significant focus on reviewing both the Authority and the Force to find efficiency savings. This led to a full Strategic Review of BTP which became the Futures Programme. The Futures Programme continues in 2011-12 with the objective of identifying and reviewing savings opportunities and taking the appropriate action to implement those that it is considered will deliver reasonable savings.

Following the successful closure of the funding disputes resulting from the Judicial Review decision, the focus for the year ahead has moved to the new arrangements that will be implemented from 2013-14 onwards, in terms of the charging mechanism and a new form of Police Service Agreement (PSA).

The new Business Cycle for the Authority was implemented and the Executive Team at the Authority restructured to ensure that it was best placed to support the new approach. The new structure and Business Cycle were designed to bring decision making back to the centre and allow groups to focus on the detail of issues before making recommendations to the Authority. The first year of this new approach has seemed to work well and one of the first tasks of 2011-12 is to formally gather feedback from all parties making any amendments considered necessary to ensure the Authority is working in the most efficient and effective way.

The BTPA Governance Code was also significantly revised in 2010-11. The new document takes account of the revised structure, but more significantly the change of Accounting Officer (AO) from the Chief Constable to the Chief Executive, with the Chief Constable now

taking the role of Additional AO, ensuring that appropriate financial controls are in place.

A review of the governance arrangements between BTP(A) and London Underground Limited (LUL) also began in 2010-11 and this will be a significant project in 2011-12.

The Authority also fulfilled is statutory duties in 2010-11 with the development of a new three-year Strategic Plan which will run from 2011-14 that will be refreshed annually. A Policing Plan was also approved by the Authority for 2011-12 at its meeting on 24 March 2011 which will be monitored by the Authority's Performance Review Group throughout 2011/12 and reported to the Authority on a quarterly basis. A budget settlement for 2011-12 was agreed at the Authority's December meeting and a direction of travel noted for 2012-13. The detailed budget monitoring will take place at the Authority's Finance Group which will report to the Authority on a quarterly basis.

The police officer pensions scheme valuation had returned a significant deficit, but following a thorough review of the assumptions it was based upon this was reduced considerably. A Recovery Plan was agreed in 2010-11 without having to increase officer contributions. The triennial staff scheme valuation will take place in 2011-12, and although this valuation is expected to return a deficit, it is not anticipated that this will be as significant as that for the officer scheme.

Member portfolios were reviewed and redistributed in 2010/11. The majority of Members now have just one portfolio responsibility which is either a BTP Area or alignment with a Member of the Strategic Command Team (SCT). Member feedback on this approach will be collected in 2011/12.

From the above it can be seen that 2010-11 was a year of considerable change. The 2011-12 business year will focus on embedding that change and driving the organisation further forwards.

3. Challenges for the year ahead

3.1 Budget Issues and Resources

The economic environment remains challenging with public spending still very much under scrutiny. The Hutton Review of the future of public sector pensions, and Winsor Review of police officers' and staff remuneration and conditions, need to be considered in the

Authority's decision making processes in regards to the Medium Term Financial Strategy (MTFS).

The Authority is keen to demonstrate how BTP provides value for money by showing PSA holders where their money is spent. This requires a significant amount of work to accurately reflect this and is a project for the year ahead.

The Authority's status as a non-departmental public body (NDPB) means that, unlike other police forces, it is not exempt from value Added tax (VAT). This had been raised as an issue, particularly in terms of potential savings from outsourcing of back office functions. Therefore, it had been agreed that the Authority should review how this may be resolved.

The total budget for BTP (excluding LU) for 2011/12 is £196,969k representing a 2.5% reduction in the overall PSA holder charge. The budget for the Authority for 2011/12 was agreed at £1,870k, moving from a standstill position in 2010/11 to a 2.5% reduction in 2011/12. These budget settlements reflect the difficult economic situation but it is recognised that the unquantifiable risk of the Olympics could affect them.

3.2 Industry Issues

The primary focus for 2011/12 will remain the funding of BTP. This will fall into four broad categories:

- **The economic situation facing the industry:** The industry will want the Authority to understand how the economic environment is affecting them and appreciate this in the budget setting process
- **McNulty Review:** T
- **2012/13 budget:** The industry will want reassurance that the Authority is listening to them and taking cognisance of the economic climate. They continue to look for a significant reduction in budget over the next few years.
- **Post 2013 charging arrangements**: The industry will want to know what to expect from their charges from 2013 to enable them to plan ahead in terms of budget. Until the mechanism is decided upon PSA holders cannot be given assurances regarding how their individual charge could be affected.

3.3 Statutory Duties

The Authority has its statutory duties which it must complete each year these include:

- Preparing an Annual Policing Plan
- Agreeing a Budget Settlement for the next financial year
- Consulting with stakeholders on the above
- Produce an Annual Statement of Accounts
- Hold the Chief Constable to account

Additionally every three years the Authority must produce a Strategic plan. The 2011-14 Plan was approved in March 2011 and it was agreed that this would be refreshed on an annual basis to keep it up to date.

3.4 Key Themes

For 2011/12 the areas of priority for the Authority to address will be:

- **Evolving** the Authority's role to ensure that it is cognisant of the economic and political climate and takes account of this in its decision making role
- **Progressing** to develop the Authority's role in holding the Chief Constable to account for performance by way of monitoring and evaluating the efficiency and effectiveness of BTP through the Performance and Finance Groups
- **Strengthening relationships** with our stakeholders will be a key area that the Authority will be continuing to focus on.

4. 2011-12 Priorities

The following constitute the main priorities for the Authority in 2011/12:

- Identify an effective, simple and efficient funding option for implementation by 2013
- Finalise a new PSA which is acceptable to all parties to replace those that were terminated and cease in 2013
- Refresh the 2011-14 Strategic Plan taking cognisance of the following:
    - Winsor review of police remuneration and conditions
    - Hutton review of the future of public sector pensions
    - McNulty value for money review of the railway industry
    - HMICS independent review of policing in Scotland
    - The change to Police and Crime Commissioners and the implications of this
- Develop an Annual Policing Plan for 2012/13
- Address London governance arrangements
- Reach agreement on a budget settlement for 2012-13
- Address the VAT issue
- Review the Business Cycle following its first year making amendments as required to ensure that it is delivering optimal outcomes

- Continue to develop our communications with stakeholders
- Address the governance of the pension schemes and the investment strategy to ensure that they are fit for purpose
- Develop a succession plan for the membership of the Authority with the expected loss of a high number of Authority Members on the expiry of their terms in June 2011 and 2012
- Succession planning for BTPA membership

5. Known priorities for 2012-13

Whilst planning for 2011/12 it is worthwhile to note the known priorities for 2012-13 as these feed into the work that is taking place in 2011/12 laying the foundation for the completion of the below tasks:

- Implementing of a new charging mechanism for determination of the 2013-14 charges
- The signing of a new style PSA ahead of 2013-14 by PSA holders
- Preparing for the commencement of whole government accounting
- Developing an Annual Policing Plan for 2013-14
- Refreshing the 2011-14 Strategy for 2013-14
- Agreeing a budget settlement for 2013-14
- Appointing and inducting new Members

6. Work plans for the Committees and Groups

Within the context of the overall work plan set out in this document, each Committee and Group will develop its own detailed work plan. High level plans for each committee are below:

6.1 Audit Committee

- Manage the internal audit programme, and monitor progress against outputs from internal and external audit work.
- Review and approve the Annual Audit Plan
- Review and approve amended Fraud policies for BTPA and BTP following the publication of the Bribery Act, and monitor the effectiveness of such policies
- Review and approve the Governance Statement (formerly SIC)
- Review and approve the Management Assurance Report
- Review and monitor progress against the BTPA and BTP risk registers.
- Work with the Force and NAO to ensure that the Year End Accounts are unqualified with any outstanding issues from the previous year addressed.
- Provide an oversight function for the Authority's gifts and hospitality register
- Provide a crime and incident data quality assurance function

- Once new London governance arrangements are developed work with the auditors to offer assurance that they are robust and appropriate
- Arrange appropriate training for new Committee members
- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.2 Professional Standards Committee

- Continue to oversee the work of PSD and associated units
- Continue to work the IPCC Commissioner
- Develop a communications strategy to communicate to the wider community the outcomes relating to the oversight and scrutiny of the PSD and other public confidence and transparency matters
- Work with the PSD to define the processes between the Authority and the Force in relation to handling complaints, misconduct and grievance issues.
- Conduct periodic analysis of Force policy and procedure in relation to professional standards matters to ensure it is best practice and conforms to statutory and other requirements, such as those relating to equality and diversity.
- Consider the remit of the Committee in view of the changes to the BTP structure
- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.3 Strategy Group

- Maintain dialogue with the industry about the budget and planning process
- Work with BTP on the development of the Medium Term Financial Strategy
- Monitor progress against the Futures Programme.
- Refresh the 2011-14 Strategic Plan for 2012/13 and recommend to the Authority for approval
- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.4 Policing Plan Group

- Consult with stakeholders regarding policing priorities
- Develop a Policing Plan with BTP for recommendation to the Authority

- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.5 Finance Group

- Recommend an annual budget for BTP and BTPA giving clarity to aid the development of the Strategic and Policing Plans
- Discharge the oversight function with quarterly reviews of income and expenditure
- Highlight risks to the Authority as required
- Provide assurance on charges to the Authority
- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.6 Performance Review Group

- Monitor progress against the delivery of the Strategic Plan and the Annual Policing Plan
- Monitor performance against other crime group indicators
- Review progress against organisational KPIs
- Provide oversight on organisational efficiency plans/HMIC value for money improvement plans
- Monitor Human Resources management information raising issues as appropriate
- Provide oversight of the delivery of Protective Services
- Monitor Stop & Search usage (all powers) and proportionality Resource deployment including the relationship between demand and availability and Neighbourhood Policing performance
- Monitor progress against post HMIC/NPIA inspection action/improvement plans (e.g. Critical Incidents, Major Crime, Serious & Organised Crime, Public Order, Civil Contingencies, Neighbourhood Policing and PNC)
- Fulfilment of additional statutory obligations arising in year
- Progress against other major projects as monitored by the BTP Programme Board
- Highlight risks to the Authority as required
- Produce an end of year report for the Authority meeting in May 2012 reflecting on how the Committee has worked and any recommendations for change

6.7 Charging Group

- Develop propositions to stakeholders on the post 2013 charging arrangements
- Have oversight of the London Governance project and drive this through

Appendix A: The Executive Work Plan (to be completed once Plan approved)

Chief Executive Cluster Work Plan

Ref	Activity	Required Outcome	Delivery Date	Cost (if applicable)	Progress
CE1					
CE2					
CE3					

Finance Cluster Work Plan

Ref	Activity	Required Outcome	Delivery Date	Cost (if applicable)	Progress
F1					
F2					
F3					
F4					
F5					

Performance Cluster Work Plan

Ref	**Activity**	**Required Outcome**	**Delivery Date**	**Cost** (if applicable)	**Progress**
P1					
P2					
P3					
P4					
P5					

Business Management Cluster Work Plan

Ref	**Activity**	**Required Outcome**	**Delivery Date**	**Cost** (if applicable)	**Progress**
BM1					
BM2					
BM3					
BM4					
BM5					