
Report to: Audit Committee
Agenda item: 3
Date: 4 December 2012
Subject: BTP Quarterly Update
Sponsor: Interim Director of Corporate Resources
For: Information

1. PURPOSE OF PAPER

- 1.1 This report informs the Audit Committee of significant developments within Corporate Resources since the last meeting on 26 September 2012.

2. BACKGROUND

- 2.1 The Committee receives information on the activities within Corporate Resources and this report provides an update on the following:

1. Operation Enterprise
2. Key updates from Finance and Procurement
3. Key updates from Corporate Services
4. Key updates from Human Resources
5. Key updates from Learning Development
6. Key updates from Information Technology

3. OPERATION ENTERPRISE

Operation Enterprise continues to make good progress towards transforming the level of service that Corporate Resources provides to the business. Below are some headline updates on what has been delivered since the last meeting as part of Operation Enterprise.

3.1 Performance Management

3.1.1 Corporate Resources introduced the monthly Compstat performance meetings to examine the performance of Corporate Resource departments by a panel made up of the Director of Corporate Resources and an Area Commander; with managers challenged about the performance of their teams.

3.1.2 Alongside this a new customer orientated Performance Framework is in the process of being developed by Superintendent Gareth Williams and will be submitted for approval in December 2012. The Strategic Development Department Analysis and Performance Team will be recruiting into two vacant posts to support the development of the new KPIs and performance management for Corporate Resources will be migrated into the function.

3.2 Customer Service Training

3.2.1 Over half of all Corporate Resources employees have been trained in Customer Service so far, with all due to be trained by the end of December 2012. The input includes the training of managers on how to embed a culture of customer service and performance management and a strategic level of customer service for CR SMT.

3.2.2 As a member of the Institute of Customer Service, CR have completed the ServCheck survey to benchmark CR against equivalent sectors and establish an action plan which will be agreed by CR SMT in December.

3.3 Lean Six Sigma

3.3.1 Training in Lean Six Sigma to selected staff within Corporate Resources continues, trainees are required to deliver a project to become qualified to Green Belt level. These projects include Contract Management, Hotel Booking and Asset Management. Lean Six Sigma will equip staff with the tools to improve processes and fine tune existing systems; improve the management of projects with the aim of improving business efficiency and reducing waste.

3.4 Project Business Cases

3.4.1 Enterprise Resources Planning (ERP)

A consultant has been procured to carry out a gap analysis between the desired future state of BTP business systems and the current state to establish whether there would be a requirement for an ERP or whether existing systems could be better utilised. The business case is due in February 2013.

3.4.2 Business Development Unit

The business case for a Business Development Unit is due to consideration at Corporate Delivery Board at the end of November 2012. If approved, the Unit will strengthen income generation, look ahead to mitigate strategic risk and ensure BTP are intelligent customers with regards to their contracts.

3.4.3 Leadership Academy

Following a successful pilot with Superintendents, Learning and Development have produced a full business case to launch a Leadership Academy which was approved by Service Improvement Board on the 8th November 2012. Final sign-off will be achieved at Force Executive Board 28th November. The Academy will be delivered by April 2013 and will establish academic partnerships to ensure both officers and police staff receive tailored personal development. The Leadership Academy will be a key strand within BTPs overarching People Strategy.

3.4.4 Renewing HR for Service Excellence

The business case was approved by Service Improvements Board on 8th November 2012, and will now be submitted to FEB on the 28th November 2012, and possibly the BTPA for further approval. T/ACC Mark Newton and Kerry McCafferty (T/Head of HR) held a briefing with managers in the department to update them on the main principles of the proposed model, which marked the beginning of engagement with staff. The project team will now start a period of demand analysis. The new structure will be delivered by the end of quarter three in 2013.

4. KEY UPDATES FROM FINANCE AND PROCUREMENT

4.1 2012/13 Annual Accounts

4.1.1 Following the successful early completion of the 2011/12 Annual Accounts work has begun to ensure that the process for 2012/13 is equally smooth. A planning meeting took place with the NAO on the 14 November discuss arrangements for the 2012/13 Annual Accounts. A skeleton set of accounts has already been produced and the NAO will commence their review of this in December with the Interim Audit due in February.

4.2 Budget Monitoring 2011/12

4.2.1 Budget monitoring for 2012/13 indicates that the revenue outturn will be within budget. Following a number of procurement savings in the fleet replacement programme and the adoption of a number of lower cost estates schemes it is anticipated that the capital outturn will be below the original capital delegation.

4.3 Medium Term Financial Plan and Capital Programme

4.3.1 Work is in hand to submit a balanced 2013/14 budget to the Authority for approval in December. In line with the requirements of the Authority the Force is seeking ways to deliver a managed under spend of £1.6m in order to smooth the PSA increase to the BTPA proposed level of a 1.8% increase over the 2012/13 level.

4.3.2 Capital Planning has been brought forward and integrated with the work of the Service Improvement Board to ensure robust business cases are developed and approved in accordance with the requirements of the BTPA Corporate Governance Code and Chief Constable's Delegation and Budget Responsibilities Letter. The Capital Programme will be submitted for Authority approval in January 2013.

4.4 Review of BTPA Scheme of Delegation

4.4.1 A joint review by the Authority and Force of the Scheme of Delegation has been undertaken to ensure that the BTPA Scheme of Delegation reflects the DfT and Cabinet Office expenditure controls and ensure governance requirements can be easily understood and complied with by the Authority and Force.

4.4.2 This review identified a number of improvements which are proposed in a revised Scheme of Delegation which is being presented at the Audit Committee today. Once approved the Chief Constable's Delegation and Budget Responsibilities Letter will be updated to reflect the new Scheme of Delegation and a strong communications and training plan will be put in place to embed the governance changes in the Force.

4.5 **Procurement to Pay Review**

4.5.1 In order to strengthen compliance to BTPs 'NO Purchase Order - NO Pay' policy a fundamental review of BTPs Purchase to Pay arrangements has taken place. A revised process supported by training of Requisitioners and Financial Approvers was implemented by the due date of the 5 November. This new process which will run on the upgraded financial system will include a number of controls to ensure compliance, including workflow reminders on goods receipting. There are also inbuilt checks before invoices are paid to ensure there is a three way match between Purchase Orders, Goods Receipt Notes and Invoices.

4.5.2 In addition to strengthened Purchase to Pay arrangements there will also be the introduction of catalogues to allow those buying low value high volume items such as stationery to buy direct from catalogues which have been tested for value for money any contract compliance.

4.5.3 In line with Cabinet Office Guidelines there has been a sustained effort to reduce the number of Government Procurement Cards used in the Force and there has been a very significant reduction of approximately 70% of cards. The availability of catalogues has been a major facilitator of this reduction as these provide a very efficient way of procuring low value and low risk items without the need for a Procurement Card.

4.6 **Provision of payroll information to RPMI**

4.6.1 The electronic interface for providing payroll data to the pension provider has been completed and agreed by RPMI both from a technical and data point of view. Following a supported handover this interface is now being operated in the Payroll Team in the HR Business Centre, support will continue until final sign off from RPMI. This will not be

given until the interface has been fully working for at least two months. Use of the interface allows for easier reconciliations and accuracy checks on pension deductions and contributions.

5. KEY UPDATES FROM CORPORATE SERVICES

5.1 Estates Rationalisation Programme

5.1.1 The tender for the scheme to consolidate Corporate Resources Department from three floors to two, has now been returned and is being analysed before recommendations are made. The scheme will enable HR, Finance and Procurement and Corporate Services to come together from two floors, with the vacated floor adapted to accommodate both the Professional Standards Department and the Major Incident Unit who currently accommodate the adjacent Camden Street premises. Once relocated (at the beginning of next financial year) this will enable the surrender of those premises, producing revenue savings of some £550K per annum in rent and running costs.

5.2 Capital Programme

5.2.1 Work proceeds with the remainder of the capital programme for delivery by the end of the financial year. Proposals have been made for further schemes to be included in this year's programme to accommodate slippages. Since the last report, building works have been completed to enable the relocation of the Crime Recording Centre to Callaghan Square in Cardiff, enabling the vacation of the existing premises and further revenue savings of £51K per annum from Christmas this year; the IT connections are underway.

6. KEY UPDATES FROM HUMAN RESOURCES

6.1 Recruitment

6.1.1 Superintendent promotion boards were held and resulted in two internal and one external appointment.

6.1.2 95 applicants attended Police Constable Student Officer Assessment Centres, with 57 passing (60%). Of these, 36 are internal applicants and 21 external. Further assessment centres for Scotland, Maidstone and London North take place early December.

6.2 Taxation / Re-engagement issue

6.2.1 With support from the BTPA Chief Executive this matter has been concluded. Appropriate measures are now in place to avoid this matter ever arising again.

6.3 Auto Enrolment

6.3.1 Discussions have started with BTPA on the options available for pension's auto enrolment. Further work will be completed for the BTPA December meeting.

7. KEY UPDATES FROM LEARNING AND DEVELOPMENT

7.1 Hydra Exercise for Corporate Resources

7.1.1 On 10 December 2012 the Hydra Team within L&D will be facilitating Critical Incident Training for senior managers across Corporate Resources, this will test Business Continuity Plans and increase awareness of dealing with Critical and Major Incidents across Corporate Resources. This newly designed package is the first of its kind for police staff nationally and will be archived by the Hydra Team for use outside BTP.

7.2 Custody System Training

7.2.1 L&D are supporting the implementation of the new electronic custody system training. Training commenced in October and will be completed in February with all 156 custody staff receiving a 5 day training course.

8. KEY UPDATES FROM INFORMATION TECHNOLOGY

8.1 Head of Information Technology

8.1.1 The new temporary Head of IS&BS, Alan Shrimpton, has been recruited on a 12 month contract and is due to start in the role on 21 November. Alan will act as a transformational leader to the department who will be implementing the recommendations made in the Review of British Transport Police ICT (Ian Savage, IFJS Consulting, July 2012), and leading the development of the IS&BS strategy.

8.2 SMT Changes

8.2.1 Operations Management duties have been transferred from the Chief Technology Officer to the new role of Operations Manager, currently being filled on a temporary basis by Caroline Sparks (previously Pan-London Project Manager for Project Spiderweb). The change will improve performance management and accountability in the department. In addition, Sue Brown (previously Organisational Development Manager for HR) has been moved temporarily into IS&BS to support project delivery and the writing of business cases.

9. RECOMMENDATION

9.1 Members are invited to note the progress achieved to date on the matters outlined in this report.