BRITISH TRANSPORT POLICE

Report to:	**Audit Committee**
Agenda item:	**3**
Date:	**19 March 2013**
Subject:	**BTP Quarterly Update Report**
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 31 May 2012.

2. BACKGROUND

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

- Operation Enterprise
- Key updates from Finance and Procurement
  - Annual accounts 2012/13
  - Budget monitoring 2012/13
  - 2013/14 Budget load
  - Review of BTPA Scheme of Delegation
- Key updates from Corporate Services
  - Asset update
  - FHQ estate rationlisation
- Key updates from Human Resources
  - Allowances/Pensions SOP review
  - Pension underpayments
  - Health and Safety update

- Key updates from Learning Development
  - Leadership Academy
  - External training budget
  - Personal safety training
- Key updates from Information Technology
  - Disaster Recovery
  - Data Centralisation and local server backup arrangements

3. UPDATE ON OPERATION ENTERPRISE

3.1.1 Operation Enterprise continues to make good progress towards transforming the level of service that Corporate Resources provides to the business. The attached paper provides an update on what work packages have already been delivered and those that have made significant progress towards improving services but are not yet complete.

4. KEY UPDATES FROM FINANCE AND PROCUREMENT

4.1 2012/13 ANNUAL ACCOUNTS

4.1.1 The work to produce the 2012/13 annual accounts is now well under way. A skeleton set of accounts have been produced and audited by the NAO which resulted in a few minor amendments. The NAO have also conducted an interim audit in February which involved transaction testing of payroll, payments, invoicing and banking. The NAO have also commenced an audit of BTP's capital assets which is resulting in a discussion on the classification of assets relating to the CCTV project. If agreed any reclassification will require an accounting treatment change but will have no budgetary impact.

4.2 BUDGET MONITORING 2012/13

4.2.1 Budget monitoring for 2012/13 indicates that the revenue outturn will be within budget including delivering a managed under spend of £1.6m as requested by the BTPA in order to smooth the PSA to an increase of 1.8% over the 2012/13 level.

4.2.2 Following a review of BTP's 2012/13 Capital Programme to ensure that spending plans were in line with operational priorities and to ensure that all spending approvals are in place the capital spend for 2012/13 will be significantly below DEL. The revenue benefits

of this reduced capital spend through reduced depreciation costs in future years has been factored into the 2013/14 budget and MTFP.

4.3   2013/14 BUDGET LOAD

4.3.1   Prior to issuing budgets to Areas and Departments the Chief Constable instigated a budget challenge process to ensure the maximum amount of resource is deployed to the front line. This exercise resulted in some Force Head Quarters budgets and the budget for Travel and Hotel costs being reduced. These reductions have been used to make a permanent budget increase for the officers deployed to London South and Scotland during 2012/13 and also to permanently increase the number of officers by 5 each on Wales and West and North East Areas.

4.3.2   Following the Budget Challenge Process the Chief Constable's Delegation and Budget Letter for 2013/14 was issued on the 20 February. As well as setting out the budget and procurement rules to be followed by budget holders the letter also provides each Area and Department's budget control totals. All Areas and Departments have loaded their budgets and reconciled these to their delegated budget control total. A report on the final allocation of the 2013/14 budget is being presented to Finance Group on the 19 March.

4.3.3   Capital planning for 2013/14 and over the following three years has been prepared under the remit 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 was approved by the Authority in January 2013.

4.4   REVIEW OF BTPA SCHEME OF DELEGATION

4.4.1   Following a joint review by the Authority and Force a revised Scheme of Delegation was approved at the BTPA meeting on the 13 December 2012. This revised BTPA Scheme of Delegation reflects the additional DfT and Cabinet Office expenditure controls and ensures governance requirements can be easily understood and complied with by the Authority and Force.

4.4.2 Following the approval of the revised Scheme of Delegation the Chief Constable's Delegation and Budget Responsibilities Letter was updated to reflect the changes and issued on 20 February 2013. A strong communications and training plan is in place to embed governance awareness in the Force. The plan is to cascade this training from the Senior Teams to ensure understanding with presentations at Senior Management Teams, Area Management Teams and Force Executive Board in January 2013. Then following the presentation to the Service Excellence Board on 14 March a roll out program has been planned for all other relevant officers and staff.

5. KEY UPDATES FROM CORPORATE SERVICES

5.1 ASSET UPDATE

5.1.1 Work continues to introduce a comprehensive asset system for the Force. A trial of a new asset management system will commence on L Area in mid-June. If successful, a business case will created proposing that the system be implemented for the rest of the force.

5.2 FHQ ESTATE RATIONALISATION

5.2.1 The works to rationalise FHQ HR, Finance and Procurement and Corporate Services onto one floor is well underway, with an opening ceremony for the new floor scheduled for 11 April. Works can then begin on the vacated 2nd floor for the relocation of PSD.

6 KEY UPDATES FROM HUMAN RESOURCES

6.1 ALLOWANCES/PENSIONS SOP REVIEW

6.1.1 Action 1 of the 4 December 2012 Audit Committee meeting required BTP to review its SOPs for outdated information or custom and practice relating to allowances and the policy of paying pension contributions whilst employees were on career breaks and maternity leave.

6.1.2 The Expenses and Allowances SOP is being updated to incorporate changes effective from 1 April 2013 relating to Winsor Pt. 2 recommendations. The revised SOP will remove any out of date information.
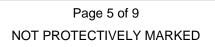
6.1.3 Approval is being sought through the Force Executive Board (27ᵗʰ March) and Pension Fund Trustees to bring BTP's practice on paying pension contributions during Career Breaks into line with other sections of the Railways Pension Scheme. In future, all contributions and benefit entitlements would be suspended at the start of the Career Break. On resumption to work, employees would be allowed to pay contributions at that time to cover the period of the break. It is expected the revised Fund Rule would be introduced before 1 August with other rule changes required for the implementation of auto-enrolment into BTP.

6.1.4 RPMI has clarified that the Fund rules and principles of Pension Funds require the employer to pay any shortfall in employee contributions from Members and to recover any arrears. Withholding contributions while an employee's earnings were reduced or suspended through being on Maternity Leave or similar, or on reduced or no Sick Pay would threaten the employee's continued membership of the Fund and entitlement to benefits. Under auto-enrolment legislation, employees can take their employers to Employment Tribunal if they are prevented from contributing to an occupational pension. Therefore, this aspect of the Committee's decision cannot be actioned.

6.2 PENSION OVER/UNDER PAYMENTS

6.2.1 Work continues on the recovery of pension under payments as part of the recovery plan. Most employees that have over and underpaid have been advised and recovery has commenced with only employees owing £500 or more yet to be informed during personal meetings with HR advisor. Table 1 below provides the latest information regarding pension recovery.

Table 1

Number of employees	Outcome
95	Employees paid up in full
103	RMPI adjustments with no effect on employee
45	Written off (Leavers under £200)
42	Currently repaying on repayment plans
139	Refunds paid to employees
85	Letters sent to advise staff of arrears

6.2.2   Pension packs for employees owing between £500.00 and £1000.00 and those owing over £1000.00 are being completed this weekend 9th & 10th March. The packs will be provided to HRA's on Monday 11th March to arrange a meeting with the effected employee to discuss and arrange a suitable repayment plan.

6.2.3   Whilst notification and meetings will have been completed and recovery of monies owed commencing by the end of March 2013 the timescales for recovery from each employee will vary depending on the amount owed and individual financial circumstances.

6.3   HEALTH AND SAFETY

6.3.1   There is no central Health and Safety meeting to report on for this period, but local Area Health Safety meetings have been conducted by Area Health and Safety managers. The current Health and Safety process is being reviewed as part of the HR renew project, this will include a new format for the Central Health and Safety meeting.

6.3.2   There have been 135 accidents and incidents reported over the last from 1 December 2012 until 28 February 2013.

6.3.3   A current breakdown of Force wide Health and Safety activity for the above period is included in table 2 below:

Table 2

1. Premises Inspections	
o Total number of all Inspections actually carried out	55
o Total number of follow ups with regards to action points	115
2. DSE / Workstation Assessments	
o Total number of OH led CSE referrals	20
o Total number of informal or local supervisor initiated assessments	57
3. Football Risk Assessment	
o Total number of football risk assessments updated / created	22
4. Premises Fire Risk Assessment:	
o Total number of updated fire risk assessments	17
o Total number of newly created fire risk assessments	2

o Total number of premises fire plans updated	24
5. Inductions	
o Total number of New to Area inductions carried out (police officers)	5
o Total number of New to Area inductions carried out (police staff)	18
o Total number of short stay inductions carried out (contractors)	2
6. Training	
o Total courses initiated for New Recruits H&S Awareness	1
o Total courses initiated for Fire Warden training	4
o Total courses initiated for Stress Awareness	1
o Total courses initiated for Manual Handling training	1
o Total courses initiated for Supervisors Risk Assessment training	2
o Total courses initiated for Premise Responsible Person training	2
7. Meetings	
o Total number of Area Health and Safety Meetings	6
o Total number of various health and safety related meetings (internal)	26
o Total number of various health and safety meetings (external)	7
8. Operational – away from office accompanying officers	
o Total number of operational involvements (internal)	13
o Total number of operational involvements (external)	2
o Total number of health and safety (non-planned) site / premise visits	3

7   KEY UPDATES FROM LEARNING AND DEVELOPMENT

7.2   LEADERSHIP ACADEMY

7.2.1   Stakeholder engagement has been increasing in the buildup to the launch of the Leadership Academy in April. A briefing of all senior staff was conducted at the end of February with further engagement events scheduled throughout March.

7.2.2   Chief Inspector assessments are well underway and on schedule to be complete by the end of April 2013.

7.3   EXTERNAL TRAINING BUDGETS

7.3.1   Bids for external training provision for Areas and departments are almost complete. The programme is on track for a 20% reduction in spending, as agreed by L&D at Service Improvement Board.

7.4 PERSONAL SAFETY TRAINING

7.4.1 A proposal to reduce the amount of classroom time spent on personal safety training has been submitted to the Strategic Learning and Development Board. The trial if agreed will cut classroom time by 50% with officers receiving a professional pre-learning pack prior to attending the course. The new approach to delivering safety training will return 2500 operational police officer days back to the Force which will significantly boost front line presence.

8 KEY UPDATES FROM INFORMATION TECHNOLOGY

8.1 DISASTER RECOVERY

8.1.1 The second phase of the Disaster Recovery project commenced at the end of February 2013. The project is well underway with a project manager appointed and procurement has commenced for project hardware. The estimated completion date for DR at this stage is June 2013 subject to external contractor availability which is being confirmed.

8.2 DATA CENTRALISATON AND LOCAL SERVER BACK UP ARRANGEMENTS

8.2.1 BTP is currently revising a previously authorised business case for Data Centralisation of all localised servers to FHQ; this is due to additional costs not foreseen in the original business case. This is to ensure compliance with the BTP Corporate Code of Governance.

8.2.2 BTP at the request of the Integrity and Compliance Board has conducted a review of local server backup arrangements across the BTP estate. The servers spread across thirty one sites provide storage for all G and H drives of which the business and staff store all personal and business documentation.

8.2.3 Current backup arrangements outside of FHQ and Birmingham are manual requiring the insertion of a media device every 24 hours to replicate data processed on the server. The recent inspection revealed poor consistency of backup arrangements across all sites, identifying a potential risk to business continuity.

8.2.4 Backup arrangements have now been formally documented across all thirty one sites and a backup agent and stand in have been named and identified for each site. The Director of Corporate Resources has contacted each Area Commander to remind them of their personal responsibility to provide a nominated backup agent completes the daily backup, and to ensure the media device is stored in a fireproof safe.

8.2.5 A programme of inspections is now in place to audit each site at least bi monthly to ensure procedures are complied with, which is reported to the integrity and compliance board monthly.

9 RECOMMENDATION

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

Report to:	**Audit Committee**
Agenda item:	**3 (Appendix A)**
Date:	**19 March 2013**
Subject:	**Closed Operation Enterprise Projects Report**
Sponsor:	**Interim Director of Corporate Resources**
For:	**Information**

1. PURPOSE OF PAPER

1.1 This paper provides Audit Committee with an overview of the Operation Enterprise projects which have been signed off as completed by Corporate Delivery Board, the Corporate Resources (CR) change board chaired by T/ACC Mark Newton. The paper is for information only.

2. BACKGROUND

2.1 Operation Enterprise was created in June 2012 following a nationwide customer perception survey of CR indicating that the Directorate was not performing fundamental business operations to an acceptable standard. The vision for Operation Enterprise is *"To deliver exceptional support to those who protect and serve."*

The benefits of the programme fall largely within 6 main categories.

- Deliver business excellence
- Ensure focused support to the Frontline
- Promote customer and stakeholder confidence
- Achieve exceptional performance
- Identify and encourage business enterprise
- Ensure business rule governance and compliance

2.2   This paper shows projects under three main headings:

- *Closed projects*: projects closed by Corporate Delivery Board as the project has no outstanding tasks, benefits have been realised and all risks and issues are closed or due to be managed by Business As Usual.

- **Projects due for completion**: projects due for completion between this meeting and the next.

- **Projects with significant progress**: highlight projects which are well underway but not yet due for completion.

3. CLOSED PROJECTS

3.1 The following table summarises the Op Enterprise which haven been closed by Corporate Delivery Board, and shows the original business need for the project, the outcome and the benefits that were realised.

Project	Business Need	Outcome	Benefit Realisation
Corporate Resources Intranet Site	Corporate Resources had over 1,600 intranet pages (out of a total of around 10,000). Customers found it difficult to locate key information quickly and efficiently, and CR staff themselves did not have any dedicated pages to view to get current relevant information on the Directorate.	A new high spec homepage has been created, which includes a welcome message from T/ACC Newton, quick links to key services and portals, a weekly videocast from the CR SMT so that key messages are disseminated quickly, and a weekly blog by T/ACC Newton. The site also includes a CR Recognition page to ensure good customer service is recognised and rewarded. Please see **Appendix A** for more details.	Following an audit of all 1604 pages owned by CR departments, 976 unnecessary or out of date pages were deleted. This is representative of a 60 per cent reduction. In addition, Intranet editors have been reduced by at least 25%, ensuring that now the maintenance of the site is business as usual the pages are not returned to their original state.
Technology Board	Previously, financial spend on Technology has not been regulated which has resulted in an uncoordinated approach to the purchase of hardware, software and spiralling costs on IS&BS projects. In addition resources are not properly allocated to projects meaning the department has traditionally struggled to deliver projects alongside business as usual activity.	A Technology Board meeting cycle has been set up to approve or reject technology spend over £1,500. The main meeting sits monthly, with a weekly 'fast track' process to supplement the regular meeting. The Board ensures a uniform approach to the purchasing of technical items, and ensures that any projects requiring IT input is properly resourced from the outset. Technology Board was responsible for identifying the gap in contract management for the Force, and a project team has now been set up and has made significant progress on reviewing all existing contracts to release savings.	• The new process helps to rationalize strategy. • Improves project management. • Brings all IT issues under one roof. • Enforces compliance of IT and Financial rules. • Enables CR and IS&BS to deliver better and manage expectations. • Includes a 'Fast Track' exception process which runs alongside and supplements the regular Board meetings.

Review and Rationalisation of Cost Centres	There were a large number of unused Cost Centres held within the eFinancials system, making it difficult and time consuming for customers to access the correct code.	The project was lead by the Budget Controller based within F&CS, who worked with Areas to identify cost centres no longer required. These were then cleansed from the system, to reduce the total down by a third.	294 cost centres no longer required removed from system (822 cost centres previously active, 36% were closed down leaving 528 currently active). The project has reduced cost centres by a third without changing the structure or hierarchies of departments/areas. There may be more cost centres to remove if departments and Areas are forced to reduce cost centres (not in scope for this work package).
RAP 'Lite'	The Resource Approval Panel (RAP) was initially developed in July 2010 to consider all resourcing activity, based on affordability and organisational need. The meetings were held fortnightly, however there were criticisms that the process was overly bureaucratic and slowed down the recruitment into posts to unacceptable levels.	A weekly RAP 'Lite' process has been introduced to approve recruitment into vacant established posts. The 'Full' meeting takes place monthly to approve new posts or establishment changes.	The RAP Fast Track (or RAP Lite) process was introduced on 1 July 2012, convening once a week every week since then. Posts submitted to RAP from 1st July 2012 to date are as follows: • 118 – Full RAP • 327 – RAP Fast Track • 15 – Exception • 18 – Consultancy requests
FHQ 'Front of House' Service	There were criticisms that the FHQ Security Team were not performing their duties and checking the identification of all individuals entering the premises. In addition the reception area was untidy and looked unprofessional.	Barriers and signage have been installed to assist the Security Officers in ensuring that all visitors comply with the requirement to show identification when entering the building, and entries about the showing and wearing of ID has been put in the CR Connect and London Weekly publications. All Security staff have been issued with new uniform and advised that they must wear it at all times, and guidance issued around parcel storage in reception.	The front of house service is now more professional and offers a more robust security service to FHQ. All visitors now display ID when entering and when around the building, and the reception area itself is tidier and offers a better first impression of BTP to new visitors.

IS&BS Department Review (Ian Savage, IFJS Consulting)	It was requested by T/ACC Newton for ISFJ Consulting to undertake a study of the operation of the ICT function of BTP with the following agreed objective: "*To undertake a high level review of the current IT operation in order to provide an independent view of its effectiveness and make recommendations for the future.*"	The review was completed in July 2012, with the overarching recommendation being that action is taken to transform the ICT function in BTP to become a forward looking part of the organisation which is clear in its role and contribution to supporting the Force's policing objectives and which delivers this in an efficient and effective manner. To achieve the transformation it was recommended that BTP creates a department responsible solely for IT, and one for Information Management (which is currently in progress). The appointment of an Interim Head of Transformation was also recommended to undertake a fundamental review which will seek to define the organisation's needs and what the ICT function will have to look like in order to deliver to those needs and then lead a change programme to implement the findings of the review.	The outcome of this work package was the report, which was delivered in July 2012. The Head of IS&BS Transformation has been recruited and has been in post since December 2012. A strategy planning day is arranged for 28th February 2013 with the aim to review BTPs strategic plan, then to conduct a gap analysis between the current state of IT and where the department needs to be to support the delivery of the overall strategy. This will then lead into the start of the IS&BS transformation as the future department structure required to deliver the IT strategy will also be discussed.
Improved Stakeholder Management	Previously CR did not manage its senior stakeholder effectively, leading to a poor reputation for the Directorate.	CR SMT members were assigned to Area and FHQ Departmental SMTs, and attend one of these regional SMTs per quarter. This allows stakeholders to have a senior CR point of contact for high level queries, and provides CR with an additional communications channel to communicate changes and improve perceptions. In addition to this, one senior stakeholder is invited to each of the CompStat performance meetings to challenge CR performance. The CompStat project, although the meetings embedded, is not yet fully embedded as performance management is being migrated from with CR to the SDD Analysis and Performance Team.	Improved stakeholder management by senior manager having a point of contact to raise concerns with.

4. PROJECTS COMING UP FOR COMPLETION

4.1 A large number of projects have made significant progress and will reach completion between this meeting and the next (31 May 2013). A summary of some of the projects due to be completed is as follows. Please note this is not a comprehensive list, it only serves to highlight some of the larger pieces of work ongoing.

4.1.2 **Business Development Unit**

The Business Development Unit roles are to be evaluated by the Resource Approval Panel (RAP) in the first week of March, then recruitment will occur into the roles. The Unit will be at the least cost neutral to BTP, with a target to deliver an additional 5% increase in income generated via improved coordination of EPSAs and contract management (this increase equates to a projected saving of £869,340 in Year One).

4.1.3 **Leadership Academy**

Fully functional Leadership Academy to be in place by the end of April 2013 (for Chief Inspector and above ranks and Police Staff equivalent). Chief Inspector Assessment process has begun, with 360 degree feedback being submitted.

4.1.4 **Estates Rationalisation**

The works to rationalise FHQ HR, Finance and Procurement and Corporate Services onto one floor is underway, with an opening ceremony for the new floor scheduled for the 11 April. Works can then begin on the vacated second floor for the relocation of PSD.

4.1.5 **Performance Framework and CompStat**

The new Corporate Resources customer focused Performance Framework is currently in draft, and due to be signed off prior to the new financial year. Performance Management is being migrated to the SDD Analysis and Performance Team, who will carry out all performance reporting to the CR CompStat meeting.

4.1.6 **ePDR**

The ePDR system will be developed and due for a pilot launch the week commencing 8 April. The new system will reduce bureaucracy by allowing PDRs to be completed online without the requirement of emailing hard or soft copies to the HR Business Centre. The electronic data available in the system can then by utilised to inform training requirements for the organisation.

4.1.7 **eRecruitment**

The new online automated eRecruitment system being provided by WCN is now in place. The system provides a seamless process from the initial managers request to recruit, then through the application stage and onto the new employees first day at work. External candidates applying to BTP will also have a much improved experience using the new system, as they will be able to track their own progress and the system will keep them updated automatically reducing the administrative burden on the HR Recruitment Team. Work will now take place to create an interface between the system and ORIGIN, so that new employee details are transferred automatically into a new person record, again reducing bureaucracy and reducing the risk of manual data error.

5. LONGER TERM PROJECTS UNDERWAY

5.1 Operation Enterprise includes a large number of large scale, long term projects which are well underway. Please note this is not a comprehensive list, it only serves to highlight some of the larger pieces of work ongoing.

5.1.1 **Lean Six Sigma**

16 Corporate Resources employees have received training to Green Belt level in Lean Six Sigma. To become accredited with the qualification individuals then need to pass an exam and deliver a project. All exams will be completed by the end of March 2013, and each individual is currently working on a project, including the Contract Management Process, Travel and Hotel Booking and Laptop Procurement and Asset Management Process. A Governance Board has been set up to monitor and ensure delivery of projects.

5.1.2 **Contract Management**

The overarching aims of this project are to '*become an intelligent customer*' and to '*demand more for less*'. All BTP contracts are currently being reviewed and where possible contracts are not being renewed, numerous contracts providing the same service are being rationalised under once contract or better terms are being negotiated to deliver savings which are intended to be returned to the frontline. A project is also underway running alongside the contract reviews to implement a process for all contracts to be reviewed on a regular basis going forward as part of business as usual activity.

6. FINANCIAL IMPLICATIONS

6.1 Financial governance of project spend is monitored by Corporate Delivery Board. Spend is tracked to ensure compliance with Corporate Finance rules.

7. RECOMMENDATIONS

8.1 This paper is for information only.

BRITISH TRANSPORT POLICE

Appendix A: New CR Intranet Site

NEW CORPORATE RESOURCES INTRANET SITE

Page design incorporates CR logo and BTP corporate colours

Dedicated Plugin for News and Notices

Welcome message from T/ACC Newton

T/ACC Newton's weekly blog

FAQ pages offers further information and resolves misconceptions about CR

Prominent positions for CR Initiatives including Op Enterprise, Customer Service Charter and Performance

Management 'go to' chart makes CR staff more accessible

Weekly SMT videocast

Page with details of emergency response arrangements

Quick links to key services provided by CR Departments