

Report to: Audit & Risk Assurance Committee
Agenda item: 5
Date: 31 May 2013
Subject: Authority Finance Issues - Quarterly Update
Sponsor: Authority Finance Director
For: Information

1. Purpose of Paper

- 1.1 The purpose of this report is to inform the Audit and Risk Committee of significant developments within the Executive since the last Audit Committee in March 2013.

2. Annual Accounts

- 2.1 The MAR for the 2012/13 was submitted to the DfT on 19 April 2013 in line with the DfT timetable.
- 2.2 The NAO have completed their on site audit work and a paper of their findings is presented to this Committee at agenda item 7 together with the annual report and accounts. Weekly meetings have been held with the Finance team at BTP, the NAO and I. The process has gone very smoothly this year. The item identified around the CCTV accounting treatment and its authorisation has been satisfactorily resolved.
- 2.3 The annual report together the year end accounts have been prepared and drafts were issued to the Members, BTP and the Executive on 16 May for review. All comments received have been reviewed and incorporated and along with the audited numbers are presented at agenda item 7.

3. PSAs from 1 April 2013

- 3.1 The PSA approved by DfT Ministers was issued to core PSA holders for signature in March. At the time of writing this report, every PSA has now been signed except for Virgin West Coast. The Chief Executive met with Virgin on 22 May to try and resolve their objection. They have agreed that, provided they get directed to sign it by the DfT, it will be signed and the payments due will be made by direct debit.
- 3.2 The direct debits have taken much longer to set up than originally anticipated. This has arisen because PSA holders have submitted incorrect direct debits, (for example with only one signature or with incorrect account or sort code information). It should be noted that the PSA holders supplied us with a separate declaration that the individuals signing the direct debit mandate were authorised to do so. In addition to this BTP needed to get the direct debit facility set up on their banking system, which was completed on 13 May. Advance notifications of the schedule of payments have been issued to the Finance Directors. The facility has now been set up and the first payments were successfully received on 20 May 2013, a couple of these have had to be re-presented as the BTP references input were incorrect but these will be completed in the week commencing 27 May. The period two payments are due on 28 May 2013. A verbal update will be given on the progress at the Audit and Risk Committee. Going forward now the system has been put in place, an annual amendment will be required and it should be more straightforward
- 3.3 DBS have signed their PSA but are unable to pay by direct debit. We asked for proof that this was not allowed in their

governance, which they have supplied and in our letter accompanying the signed and sealed PSA to them we have acknowledged that this has been accepted only until such time as their governance changes.

- 3.4 The risk to the Authority that the model will be challenged through arbitration has not yet materialised. We have held clarification meetings with First Group and South West Trains and further clarification on the movement in charges have been raised by LOROL and Grand Central.

4. Budget 2013/14

- 4.1 The letter of delegation for 2013/14 has not yet been issued by the DfT TO Andrew Figgures, as Accounting Officer of the Authority. We have chased the DfT and have been promised that it will arrive. The Revenue and capital DEL for 2013/14 has been agreed at £3.6m and £11.2m respectively but we really should have this issued at the beginning of each financial year and it is disappointing that as at 23 May, we are still awaiting it.
- 4.2 The DAC approval process slowed over Easter as a number of key people at the DfT took annual leave. The process has also been amended so that Director General approval is required before being approval is sought from Claire Moriaty and then DAC, At the time of writing this report 11 contingent labour, one consultancy and one redundancy submissions are awaiting approval.
- 4.3 The grant in aid cash settlement have now been finalised and, once the accounts have been signed off, a repayment of £300k will required for monies forecast to be spent at period 11 for both the Olympics and the cable theft initiative, which did not materialise.

- 4.4 No grant in aid will be paid by the DfT IN 2013/14 as the agreement arising from the judicial review is no longer required. It has been confirmed that no additional funds are available for the nationwide cable theft initiative.

5. Pension Issues

There are number of issues regarding pensions which are being worked on.

- 5.1 Real time information and Auto enrolment are being dealt with by BTP. BTP have initiated the communication plan on auto enrolment, as the initial staging date was May 2013.
- 5.2 The work in recovering debtors regarding the pension's contribution errors have been started by BTP HR. An update on progress is included in the Director of Corporate Resources report.
- 5.3 The assumptions in the police officers pension scheme valuation have been reviewed and the initial results will be presented to the Authority in June.
- 5.4 The structure of the scheme was presented to members in January, work has now commenced on reviewing the structure and the impact of the Hutton review on the Home Office police officer schemes. A paper will be presented to the Authority in June after a number of scenarios were discussed at the Pensions Working Group in April.
- 5.5 The tax liability agreed to be paid on behalf of the 18 members in receipt of unauthorised pension payments is being progressed. Cheques of £225k have been issued to the HMRC for the agreed amounts that BTPA have settled for 2010/11 and 2011/12 for all affected employees. It has been very time consuming and the individuals involved have had inconsistent

and at times frustrating support from the HMRC. A tax accountant has been made available to some of the members where they have had major issues with HMRC. All matters relating to the unauthorised pensions are now being dealt with directly by the Authority Finance Director.

- 5.6 The issue of grossing up the payments is being pursued by the Chief Executive with HMRC Technical. Prudent assumptions will have been made with providing for the outstanding liability at the year end.

6. Internal Audit

- 6.1 DfT have now formally taken over as Internal auditors. The revised audit plan and service level agreement is attached at agenda item 11 for approval.

7. Gifts and Hospitality Register

- 7.1 In line with good governance in public bodies, a copy of the Gifts and Hospitality which have been received, accepted or declined by BTPA Members and BTPA Executive Senior Staff for oversight is prepared. Appendix A lists the full details for the BTPA.
- 7.2 The Chief Executive has also reviewed the BTP Gifts and Hospitality Register with the Deputy Chief Constable which is attached at Appendix B.
- 7.3 Members are asked to note the gifts and hospitality register.

8. Recommendations

- 8.1 Members are asked to note this report.

BTPA Gifts and Hospitality Register

Date of Event	Offered To	Additional/Other Recipients	Offered By	Brief Description of offer	Purpose of Offer	Estimated/actual value of gift/hospitality	Accepted / Declined / Returned
01/05/2013	Andrew Figgures	N/A	Punter Southall	Annual Drinks Party	Networking		Declined
01/05/2013	Liz Pike	N/A	Punter Southall	Annual Drinks Party	Networking		Declined
06/06/2013	Liz Pike	N/A	Punter Southall	25 Anniversary Dinner	Pensions Networking opportunities	Approximately 75	Accepted

AREA	RECIPIENT	POLICE NUMBER	DATE	DESCRIPTION OF GIFT/ HOSPITALITY	COMPANY/ ORGANISATION/ INDIVIDUAL OFFERING GIFT/ HOSPITALITY	EXPLANATION OF GIFT/ HOSPITALITY (WHY IS IT BEING OFFERED)	VALUE OF GIFT/ HOSPITALITY	ACCEPTED /DECLINED	APPROVED BY (MUST BE COMPLETED)	COMMENTS
TP	Simon Taylor- DCI	2012	19/03/2013	Meal	Railpol	Meal with Railpol colleagues	£0.00	ACCEPTED	Supt paul Shrubsole	
LS	Steven Wotherspoon	6060	25/03/2013	Two shirts from Japanese Nvy	Terry Clifford, Flats 1 and 2, 87, Terminus Road, Eastbourne, East Sussex BN21 3NJ	Expression of thanks from Mr Clifford who was a victim of crime.	£20.00	DECLINED	Insp Ancell (OIC Brighton)	
SCT	DCC Crowther	2307	29.01.13	Commemorative picture frame and bottle of Singapore Sling	Ministry of Home Affairs, Singapore	Visit from delegation	£40.00	ACCEPTED	CC	Frame retained in display cabinet and bottle donated to Race for Life Charity fundraising raffle - raised £150 donated to Cancer charity
LN	DC Church	4402	25/01/2013	chocolates	Sophie Meadows	Sophie was victim of crime I investigated b0904315/12	£10.00	ACCEPTED	Ch Supt Fry	Sophie gave the chocolates to me in the foyer of Reading crown court as a thankyou for the work done I initially declined but Sophie & her mother & grandmother insisted that I take them.
NW	Insp G Jones	1237	01-Feb-13	Working Lunch	Merseyrail	Discuss business matters in a informal location	£20	Accepted	Ch Supt Holden	
NW	Insp K. McVey	2614	01-Feb-13	Working Lunch	Merseyrail	Discuss business matters in a informal location	£20	Accepted	Ch Supt Holden	
NW	Vekei Sweeney	6356	07-Feb-13	Plant and chocolates	Refreshment Works	Thank you for attendance at meeting to discuss future provision of services	£5.00	Accepted	Stuart Holmes	
NW	Insp K McVey	2613	08-Feb-13	Ticket to Liverpool v West Brom Match, plus meal	Merseyrail	Offered to Stakeholders	£100.00	Declined		
SCT	DCC Crowther	2307	26.02.13	Evening meal and accommodation	BTP Federation	Invitation	Unknown	Accepted		
NW	Ch Supt Holden	2659	27-Feb-13	Invitation as a guest of TPE to attend Rail Awards Dinner	Trans Pennine Express	Invitation to join TPE as a guest at their table at the Rail Business Awards on 27th February - to be held at the London Hilton Park Lane	Dinner, drinks and overnight accommodation. Estimated value £200	Accepted	ACC Pacey	
NW	John Monaghan	7934	14-Mar-13	Free sample ration pack containing 1 x Chocolate Bar, 1 x Nut Cereal Bar, 1 x Assorted Nuts, 1 x Cinnamon Bun, 1 x Vegetarian All Day Breakfast (long life meal), 1 x Chicken/Pasta (long life meal), 1 x Heating Pack for the above meals	Globehuggers	Finance Dept considering ordering ration pack from company. Free sample sent without being requested.	£7.99	Accepted	Stuart Holmes	

SCT	Mark Newton	4146	14.01.13	Invitation to TfL hosted Executive Network Event	Telefonica UK	Invitation	Unknown	Declined		
SCT	David McCall	4637	04.03.13	Invite to Six Nations Scotland v Wales Rugby Match at Murrayfield on 09 03 13	Steve Montgomery, Managing Director of First ScotRail	Networking opportunity	Unknown	Declined		
SCT	DCC Crowther	2307	06.03.13	Reception at Porticullis House	Sponsored by British Telecom and Energy Networks Association	Scrap Dealers Act 2013 Roysal Assent	Unknown	Accepted		
SCT	Andrew Trotter	4560	09.04.13	Speaker at 9th International Symposium in Dubai	Dubai Police	CC invited to present on 3 topics - policing a transport network, terrorism, and social media	Cost of trip (flight & hotel) met by Dubai Police	Accepted	BTPA	
WW	Peter Mannington	0415	17/02/2013	Box of chocolates	Carol Smith (MOP)	Thank you gift	£5.00	ACCEPTED	PS Everett	
WW	Fiona Hinks	5609	19/02/2013	Travel Pass	Centro	To assist with secondment duties	£935.00	ACCEPTED	Lee Gordon	This pass will be reported on Fiona's P11D form (as a personal tax liability)
WW	Loraine Webb	7460	12/03/2013	Calvin Klein 50ml Eau de parfum spray	Fatmah Mohammed Alatawi (home address Swansea)	The individual was very distressed on losing two valuable handbags. I took details from her and advised her on what the process was when reporting an incident. She thanked me for my time and patience with her. She later returned a few minutes later and advised me that the bag was located at the station.	£0.00	ACCEPTED	PS Dawkins	The recipient tried to decline this gift and said that I was happy with the 'Thank You' card and I was only doing 'my job' and did not want to accept the gift. She refused to take this back and suggested I meet her after work when I was not in uniform. For this reason I accepted the gift and completed the attached form.
SCOT	Ellie Bird	702	03/02/2013	Police Mutual Conference 2013 - 2/3 May 2013, Sheraton Hotel, Edinburgh (2 day conference which includes formal dinner and overnight accommodation)	Police Mutual	Update from Police Mutual on current work and the opportunity to be involved in how organisation is run in the future. Also good networking opportunity.	£100.00	ACCEPTED	ACC McCall	
SCOT	Ellie Bird	702	13/03/2013	Sunday Mail Young Scot Awards, 19 04 13, Crowne Plaza and SECC, Glasgow	Young Scot	BTP Scotland have a number of projects underway with Young Scot.	£50.00	ACCEPTED	ACC McCall	

LU	Donna Augustus	8545	26/02/2013	Bakery Treats	Benugo's Hospitality	This company catered a recent BTP L Area Leadership Workshop and offered baked treats for feedback on the service following the event	Nominal	Declined	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Camden PS Tim Johnson	7116	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Camden PC Jonathan PAYNE	3781	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Camden PC TREVES	916	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Camden PC Ron DAVIS	4247	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Camden PC Stuart MILLS	4513	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	

LU	BTP Emergency Response Unit - Camden PC John COX	1215	23/02/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	
LU	C/Supt Paul Brogden	2070	14/03/2013	Attendance at the London Transport Awards Ceremony	TfL's Community Safety Enforcement Policing (CSEP) department	As Area Commander for the L Area, I have been invited to join the table following the sohrt listing of a joint partnership initiative (Project Spiderweb) for an award	Approx £100pp	Accepted	ACC Alan Pacey	
LU	PC Paul Franklin,	O655	14/03/2013	Attendance at the London Transport Awards Ceremony	TfL's Community Safety Enforcement Policing (CSEP) department	As part of the Project Spiderweb team, we have been invited to join the presentation followign the shortlisting of a joint partnership initiative (Project Spiderweb) for an award	Approx £100pp	Accepted	C/Supt Paul Brogden	
LU	Caroline Sparks	5186	15/03/2013	Attendance at the London Transport Awards Ceremony	TfL's Community Safety Enforcement Policing (CSEP) department	As part of the Project Spiderweb team, we have been invited to join the presentation followign the shortlisting of a joint partnership initiative (Project Spiderweb) for an award	Approx £100pp	Accepted	C/Supt Paul Brogden	
LU	Steff Sharp	6577	16/03/2013	Attendance at the London Transport Awards Ceremony	TfL's Community Safety Enforcement Policing (CSEP) department	As part of the Project Spiderweb team, we have been invited to join the presentation followign the shortlisting of a joint partnership initiative (Project Spiderweb) for an award	Approx £100pp	Accepted	C/Supt Paul Brogden	
LU	Tim Johnson		14/03/2013	Finance Budget Breakfast event	Reed Recruitment	Networking opportunity.	Nominal	Declined	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Stratford Roy SLOANE	4287	23/03/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £17	Accepted	C/Supt Paul Brogden	

LU	BTP Emergency Response Unit - Stratford PC Paul WOODHAM	7088	24/03/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £18	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Stratford PC Thomas BRANAN	O618	25/03/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £19	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Stratford PC Gavin FILLARY	1840	26/03/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £20	Accepted	C/Supt Paul Brogden	
LU	BTP Emergency Response Unit - Stratford PC Steven HARDY	4591	27/03/2013	Book – How the Tube Shaped London	Tubelines	This officer works on the Emergency Response Unit in partnership Tubelines. All Tubelines staff were given a copy and they wanted to include the Police drivers	Retail price £25 advertised on Amazon as £21	Accepted	C/Supt Paul Brogden	
NE	Ch Supt Nicholson	4915	04.02.2013	Invitation as a guest of TPE to attend Rail Awards Dinner	TPE	Invitation to join TPE as a guest at their table at the Rail Business Awards on 27th February - to be held at the London Hilton Park Lane	dinner, drinks and overnight accommodation - estimated at £200	Accepted	ACC Pacey	
NE	PS 3840 Roberts and team of officers at Leeds	3840	08.02.2013	2 x family packs of Fox's biscuits and box of 160 Tetley tea bags	Wendy, David and Adam Bainbridge	Officers saved the life of Adam who tried to commit suicide by trying to jump off a bridge in to the River Aire in Leeds on 02/02/13	£10.00 approx	Accepted	CI O'Mara	This gift was left at the front counter of the police station along with a thank you card addressed to PS Roberts which thanks PC Halliwell and him by name but mentions all their colleagues who were involved in saving Adam's life. Although not solicited by any of the officers involved, I (CI O'Mara) believe that this is a genuine act of appreciation towards those officers who physically saved Adam's life and provided comfort and support on the night. I feel that it would only cause further distress to the family at a difficult time if we were to return it.

SDD	Julian Dixon	2639	07/03/2013	1 x Dubai Police Plaque	Dubai Police	5 members of the Dubai Police/Serco Dubai on visit to BTP to discuss fatality management	£0.00	ACCEPTED	Approved by T/CI Moffatt	Corporate gifts of nominal value [and available for examination]
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