



Report to: Police Authority
Agenda: 6
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Subject: Audit & Risk Assurance Committee
Sponsor: Committee Chairman
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For: Information

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1. Purpose of paper

- 1.1 The purpose of this paper is to update the British Transport Police Authority (“the Authority”) on the issues discussed at the Audit and Risk Assurance Committee (“the Committee”) meeting held on 4 December 2014.
- 1.2 The Committee also reviewed the strategic risks of the Authority and British Transport Police (“BTP”) which are both presented elsewhere on the agenda.

2. Agenda Items

BTP Quarterly Updates

- 2.1 The Committee noted the ongoing work BTP were doing to complete the outstanding actions from the 13/14 audit plan. The Committee was informed that the new Head of Health & Safety is due to join BTP on the 5th January.
- 2.2 An update was provided on the training programs that are taking place or are due to take place across the organisation in support of improved contract management and sickness management. A change in emphasis from sickness management to attendance management was being introduced and was having greater success.

Authority Quarterly Update

- 2.3 The Authority Finance Director informed the Committee that only 11 of the 28 PSA holders written to concerning the PSA amendment had responded, which has resulted in the 15/16 provisional charges being calculated using the methodology and datasets as set out in the 2013 PSA contract.
- 2.4 The Authority has also been informally informed of the timetable for the end of year process and the NAO has confirmed that they will be working to the same timetable.
- 2.5 The Authority Finance Director has been appointed Chair and Deputy Chair of the Staff and Police Officer Pension Management committees respectively. An issue of incorrect pension deductions being taken was brought to the attention of the Committee and BTP were reviewing the issue.

2.6 A meeting was held earlier this week with the BTP Insurance Lead concerning the renewal of SEERPIC that will be due in mid-January and this will need to be circulated out of committee for approval. The Committee requested that all areas of insurance for BTP/A are reviewed.

Gift and Hospitality Register

2.7 An updated version of both the BTP and the Authority's registers were presented to the Committee. No concerns were raised with the Authority's register but concerns had been discussed with the Deputy Chief Constable concerning a few high value items that were listed as a result of a foreign visit. It was agreed by the Committee that the Authority would write to the Foreign Office to request the protocol for such gifts and their return without causing offence.

Authority Risk Report

2.8 The Committee discussed the potential risk relating to BTP policing in Scotland following the publication of the Smith Committee report on devolution. It was agreed by the Committee that a new risk will be added once the quantum of devolution is known. No other new risks were considered by the Committee. The current risks on the register were noted by the Committee.

BTP Risk Report

2.9 Attention was drawn to the three of the strategic risks. SR64 - MTFP and the new timetable BTP are working to for approval. SR70 - PSN connection. The delivery plan for this will be complete by the end of week. The work required for this will also feed into the delivery of the IAMM. SR74 - ICCS relocation, this work is currently on schedule for completion mid-spring 2015.

HMIC

2.10 HMIC gave a presentation to the Committee on the PEEL (Police Effectiveness Efficiency Legitimacy) assessment process on the methodology used and the results seen so far. PEEL is founded by three pillars - Effectiveness, Efficiency and Legitimacy and a force would receive a graded judgment against each pillar. The judgments used are those that the public are familiar with and are based on those used by Ofsted.

2.11 The Committee received a report from BTP updating them on progress against recent HMIC reports. BTP has completed the factually accuracy check of the recent Crime Data Integrity report and this has been submitted to HMIC. Work had already started on the recommendations that were made in the draft report. The Committee were also informed that there would be a change of staff officers at HMIC and concerns were raised about the continuity of the HMIC team.

2.12 It was suggested to the Committee that a representative from BTPA should attend the HMIC reform group as currently PCCs are represented. The Deputy Chief Constable currently attends for BTP.

External Audit

2.13 The NAO presented to the Committee their program of work for the completion of the end of year accounts. The NAO highlighted one significant risk which was the transfer of the fixed asset register to E-Fins. This is on-going piece of work and BTP and NAO are confident this will be completed and signed off before the end of year work starts. The NAO highlighted four other issues that they will be monitoring and review including the HMRC provision for the unauthorised pension payments, controls around payroll, the current contract dispute and changes to the pension scheme. The NAO also informed the Committee that their fee for this audit has been reduced by £10k compared to last year.

Internal Audit Progress Report

2.14 The Committee received a report outlining the progress with the delivery of the 2014/15 Internal Audit program. One audit from the running program had been completed since the last meeting:

- **BTPA 14/02 Audit of Key Performance Indicators** - Levels of assurance were found to be moderate. The auditors commented that governance, risk management and the designing of the objectives are done effectively, but the communication could be improved. The auditors also commented that the strategic dashboard should be more widely available across the Authority and this is being addressed.

2.15 Internal audit updated the Committee on its current progress against the remainder of the 14/15 plan and were confident that outstanding audits would be completed on time.

2.16 The Committee approved the draft internal audit for 15/16. The details of the fee are awaited.

Information Management

2.17 The Head of Information Management gave the Committee a presentation on the current position in relation to Information Management compliance. A large amount of work has already been completed by the team, but there is still a substantial amount that needs to be complete compliance to the code of connection for PSN-P and legislation.

2.18 A major project is to review archived information pre2006. There are circa 10,000 boxes being stored and risk assessment will be made on destruction after dip sampling. The ICO has been kept aware of our position in relation to this issue.

2.19 Other projects include ensuring BTP is ready for the introduction and roll out of VDI in relation to information storage and information management and staff training.

3. Recommendations

3.1 Members to note the report.