JBTPA
British Transport Police
Authority

Report to: Police Authority

Agenda #: 12.1

Date: 27 September 2018

Subject: Audit and Risk Assurance Committee

Sponsor: Mark Phillips

Author: Sarah McGarel

For: Noting and Approval

1. Purpose of paper

1.1 This paper provides a summary of the key decision points and reporting from the Audit and Risk Assurance Committee which took place on 4 September 2018.

2. Committee highlights

2.1 A paper was submitted to the committee titled "Protecting our Systems Enterprise Architecture". The paper discusses the risks that exist to BTP/A data and IT systems and how their protection is governed by the standards and principles formulated by central government, in particular CESG and the Cabinet Office and its GDS agency.

2.2 A strategic risk workshop took place involving member discussion of BTP/A's strategic risks in line with the new strategy/strategic objectives. Members noted the importance of capturing the commercial risks facing BTP/A and emphasised the need to recognise that each risk could have a different tolerance level. It was agreed that the output of this discussion would be taken to the next Authority meeting for input from all Members.

2.3 The Government Internal Audit Agency (GIAA) Director presented the HR and Payroll Internal Audit Report which achieved a moderate opinion. Overall, the report concluded that strong controls were in place for key functions but identified several areas which require improvements.

2.4 The Government Internal Audit Agency (GIAA) Director gave an update on on-going work. The Finance Core Controls and IT Governance audits are nearing completion and will be finalised shortly. The Validation of Efficiency Savings review is ongoing

and once complete should ensure a mutually agreed methodology for recording and evidencing efficiencies going forward. Fieldwork is currently underway on the review of Business Cases and Authority Governance and scoping has commenced for the Finance Core Controls review. It was also noted that due to overrunning of 2017/18 reviews the 2018/19 plan is slightly delayed but should be back on track by the end of quarter two.

2.5 The Deputy Chief Constable gave a quarterly update focusing on the work undertaken by the forces Audit, Risk, Inspection and Compliance (ARIC) Board. It was noted from the July ARIC meeting that Property Stores and Storage of Digital Meeting both had unsatisfactory classifications and consequently action is currently underway to mitigate and resolve all issues.

2.6 The Deputy Chief Constable noted that 8 GIAA internal audit reports from 2017/18 continue to be monitored and of the 34 actions identified, 14 remain outstanding. Of the outstanding recommendations, 5 have exceeded their original deadlines relating to the Risk Management and Management Account and Forecasting Audits.

2.7 The Deputy Chief Constable gave an update on the Finance Action Plan which has been overseen by the Finance Gold Group. Of the original 503 actions 92% have now been assessed as complete and consequently the Finance Gold Group has drawn to a natural conclusion with all outstanding actions being absorbed into the Finance Activity Tracker. The Chief Constable will be writing to the Chair of ARAC to formally close down the Finance Action Plan.

2.8 The Deputy Chief Constable gave an update on Scottish Devolution saying there had been renewed commentary in the media but BTP continues to work with the Joint Programme Board (JPB) to agree next steps as directed by the Scottish Government. The Scottish Government are now actively considering other devolution options. It was agreed that an updated version of the joint options paper submitted by the Force and Authority in 2015 should be circulated to members.

2.9 The Deputy Chief Constable gave an update on the Kerslake Review which was commissioned by Andy Burnham (Mayor\PCC of Greater Manchester) as a non-statutory review of events and aftermath of the terrorist attack. BTP did not receive any agency recommendations from the review but has reviewed each recommendation for broader learning opportunities.

2.10 The Deputy Chief Constable gave an update on the HMICFRS Inspection status. Throughout the year significant progress had been made against the areas for improvement contained in the

PELL improvement plan with 69 of the 84 actions being completed. Currently, 11 of the 15 strands are marked as green which indicates good progress, with 5 strands assessed as complete and awaiting validation.

2.11 The Deputy Chief Constable gave an update on the HMICFRS Effectiveness Inspection which was published on 6 July 2018. Overall, the report was positive with BTP receiving a "Good" rating. It should be noted that "Good" is the grade that HMICFRS expects all forces to meet. An improvement plan has been devised containing 17 areas for improvement which BTP has identified and of this 5 are areas identified by HMICFRS.

2.12 The Director of Strategy and Change submitted a report on Business Continuity. The paper outlined the activity undertaken to ensure BTP has adequate business continuity plans in place as required by the Civil Contingencies Act (2004).

2.13 The BTPA Chief Financial Officer gave an update on various discussions which have been held with stakeholders relating to their PSAs and EPSAs. Further considerations are being made with respect to legal requirements, resourcing, and financial implications.

2.14 The BTPA Chief Financial Officer updated members regarding the progress of providing quarterly updates of PSA charges, and the positive feedback received when engaging stakeholders. BTPA aim to issue quarterly updates by the end of September.

2.15 The BTPA Chief Financial Officer stated that work has started on creating and reviewing the required datasets for calculating the 2017/2018 wash-up charges.

2.16 The BTPA Chief Financial Officer presented two papers updating members on a small number of 2016/2017 PSA charge adjustments. This is discussed further under Agenda Item 3.2.

3. Recommendations

3.1 The Authority is asked to note the above ARAC summary.

3.2 An update for the Authority for the item noted in paragraph 2.2 will be provided under Agenda item 4.

3.3 A separate request for approval by the Authority for the items noted in paragraph 2.16 has been made at Agenda item 3.2.