

Minutes

Transformation Working Group

Friday 28 August 2020, 2pm
By conference call

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Present:

Craig Mackey (Chair)
Mark Phillips
Andrew Cooper
Kenna Kintrea

In attendance:

Simon Downey, Director of Strategy and Change
Ben Kelso, Head of Transformation
Sonja Browning-Page, Chief Information Officer
Rachael Etebar, Director of People and Culture
Tracey Martin, Director Finance and Commercial Services
Ciara Ryan, Head of Estates Transformation

Hugh Ind, Chief Executive
Sarah McGarel, Chief Financial Officer
Samantha Elvy, Head of Strategy and Planning (Minutes)

Apologies:

Mark Phillips

Welcome and introductions

Agenda Item 1

15. The Chair welcomed attendees to the meeting noting apologies received from Mark Phillips. He suggested that best use of the session could be made by inviting the Force to set out a range of matters currently in development, including key premises moves, and to ask Members to probe the material presented and to offer observations and advice in discussion with BTP colleagues.

Minutes

Agenda Item 2

16. The minutes of the meeting on 19 March were reviewed and agreed as an accurate record.

Matters Arising Agenda Item 3

17. Simon Downey noted that with respect to the Delivery Partner review, a lessons session had been held with the provider but this work was currently paused owing to COVID.

Transformation Update Agenda Item 4

18. Simon Downey spoke to his presentation explaining that the context for the current work was obviously a high level of volatility in the operating environment owing to COVID. However members were asked to note that work was already underway to capture and embed the enduring learning from the COVID response. Layered over that were the challenges and opportunities emerging as a result of an incoming Chief Constable in 2021, anticipated changes in the rail environment and work to develop a new strategic plan. All of those factors could drive resets to a whole range of existing planning assumptions and options emerging. He also noted the ongoing work to audit the Force's capabilities recognising the challenge of breaking down a very complex organizational landscape.
19. Members noted and endorsed this situational analysis and recognized that there was still a great deal of uncertainty and a key challenge was determining a framework by which all the emerging thinking could be captured and start to be organised. In that way it should be possible to use that information to test assumptions and options against a range of scenarios.
20. The working group challenged itself to capture what was already known at a time of ongoing uncertainty. It was suggested that the following might be reasonable assumptions;
 - The railway was likely to have limited funds in the immediate future at least
 - Unemployment was likely to rise and the labour market would be very large
 - Passenger traffic to and from major commuter towns would be significantly depressed for some time – though the pattern of this was unknown. Initially this had been due to COVID but different travel patterns may now be emerging which will endure beyond COVID – i.e. they are now proactive rather than reactive behaviours.
21. A view from the Authority CEO was sought with respect to positions emerging from the Department for Transport and others. He confirmed that the position with respect to revenue was that it was likely to be secure, but constrained, capital investment would be scaled back. In summary additional funding would need to be delivered through a focus on efficiency.

22. The working group explored parameters for scenario testing the impacts of changes in income levels; it was agreed that steady state, an efficiency model of say 5% and a more ambitious scenario was a sensible proposition. The CEO noted that the recent spending review submission was based on a steady state proposition but the acceptance of this was likely to be dependent on evidencing a commitment to drive out further efficiencies.
23. Simon Downey confirmed that in terms of initial thinking estates and support services were currently being considered and asked for clarification that the operational model should also be under review. He offered that the work on the capability audit could support that analysis.
24. The working group noted the advantages and disadvantages emerging from a range of scenarios where BTP's funding was derived in whole or part via a different route. Members proposed that scenario testing the impacts of different funding routes, i.e. how BTP is paid for, should be part of the future work being discussed.

Agreed:

Scenario testing of the impact of changes to funding levels to be progressed for future discussion by the working group. Using a steady state, 5% reduction and more significant reduction in funding as a starting point.

Scenario testing of the impact of changes to funding sources to be progressed for future discussion by the working group.

25. Work to describe what BTP sought to deliver needed to be considered alongside how it proposed to deliver it and where that effort might be funded from. Scenario testing could then be applied to determine the impacts of 10-20% reductions in funding, for example. Discussions about what more could be delivered for the same level of investment, or whether current levels of service could be delivered for less needed to be a facet of future conversations about transformation work. This would inform thinking about cost of delivering the operation versus the cost of transforming the operation.
26. Simon Downey offered to send a further note on ongoing work, specifically in relation to the modelling of the estate, technology and the workforce where exactly these sorts of conversations were progressing internally. Members noted that these were all areas that the Authority would expect BTP to investigate. The Deputy Chief Constable reflected that the design of any future operational model needed to be mindful of unintended impacts on BTP's resilience and capability to surge resources for extreme events.
27. The Chair welcomed Sonja Browning-Page to her first meeting of the group and invited to provide a brief overview of her initial thoughts and future ambitions following a very unusual initial period in post as XX. She noted good progress but noted that by comparison with the commercial sector from which she had come

BTP was still somewhat behind the curve and had more to do. However, she described BTP's response to the COVID pandemic and the speed with which it had been possible to roll out technology hardware and software to enable agile working. That effort was likely to have taken BTP several steps forward on its modernisation journey; she also offered that this had largely been tactical to date and in terms of next steps real progress would need to be delivered at a more strategic level.

28. She briefly summarised her digital transformation initiative which so far had been focused on putting in place the right infrastructure but which would now progress to a review of the portfolio of applications used by the Force. Already it was clear that there was opportunity to address duplication, gaps and ways to integrate applications across the business. She suggested that quick wins were possible and desirable and progress would be made via small changes delivered iteratively. That work required a clear vision from the business about what it wanted to achieve.
29. Tracey Martin and Rachael Etebar welcomed the update and confirmed that there had been with their directorates on technology transformation to ensure their own aspirations were factored into the development and delivery of a new technology strategy. That included financial and resource planning tools and development of e-services for the workforce. Key for them was appropriate integration of systems to drive out service improvements and efficiencies. An estimate of £2m of efficiency benefits was the current estimate but it was realistic to anticipate more.
30. Sarah McGarel noted that the process to develop future financial plans was underway and this work was being factored in to that planning. Tracey Martin added that the scenario testing described earlier in the discussion would assist with clarifying appetite and timescales for future efficiencies.
31. The working group emphasised the importance of understanding how all the elements being described would fit together; building a model to describe that future state would enable scenario testing and refinement of options.
32. The Chair summarised the conversation so far noting that;
 - Work on the development of the medium term financial plan (MTFP) was underway
 - That work would inform the 2022-25 strategy
 - The capability review work was ongoing and would generate options for discussion
 - The group had considered scenario testing of efficiency options to understand where BTP/A could go if needed
 - This work would continue alongside the Force's work to understand and forecast future demand and how it might respond to it
 - There was likely to be at least a modest efficiency requirement arising from the current spending review – perhaps in the order of £5m per annum, cumulative - which needed a plan for delivery

- The next 18-24 months would need to be informed by the capability review options arising from which should ideally be proposed by the BTP Chief Officer Group

33. Members endorsed that summary adding that proposals emerging, especially those ideas to be reviewed by the working group, needed to be based on clearly identifiable projects which could be understood and debated with the Authority. These projects should be identified to inform the work plan and focus for the working group and that project managers should be invited to attend to discuss their work, this could include projects at various stages of maturity including those already in delivery where learning could be identified. It was noted that the current work to develop the MTFP would assist with identifying such projects.

Agreed: emerging transformation projects to be identified which will inform the future workplan for the working group.

Agreed: project managers to be invited to present and discuss their work with the working group

34. Ben Kelso added that work to date had been very heavily focused on cashable benefits and that the working group could assist with capturing and evaluating the range of non-cashable benefits also being potentially being realised. Tracey Martin welcomed an opportunity to discuss with Members whether those benefits should be cashed or not.

35. Simon Downey explained that the capability review was likely to highlight current gaps as well as opportunities for efficiency and new ways of working and that modelling was underway to clarify those areas. The force also noted that current work was informed by assumptions agreed before COVID and proposed that these were not necessarily still valid. It was noted that the demand and capability review activity would assist in answering that question.

36. BTP welcomed the inputs from the TWG on how future efficiency ambitions should be positioned as this was crucial in setting the tone and driving the desired behaviours of future programmes.

Agenda Item 5 New Birmingham Business Case

37. The working group reviewed and discussed the draft outline business case for future premises in Birmingham; recording that a previous business case had been approved by the Authority but that option could no longer be progressed. They also noted the most recent discussions with the landlord of the current premises with respect to likely possession timescales which led to an assumption that BTP

- would need to vacate no later than December 2021. This created a challenging timeframe in which to secure and fit out the new premises which would contain the Force's contact centre and one control room; two critical operational functions. It was also recorded that conversations with the landlord were ongoing with respect to business continuity arrangements and any compensation due.
38. Having noted that the timeframes for existing current building were realistic the matter to be discussed by the transformation working group was which of the options contained within the business case was suitable based on fitness for purpose including deliverability within the agreed timeframe.
 39. The working group noted the ambitious timeframes for the project and the significant reduction in floorspace being sought, reflecting a greater push for agile working plans to be realised earlier than initially planned. The response to COVID gave BTP confidence that the smarter working ambitions were deliverable within the timeframes required. Simon Downey confirmed that the departments involved had reviewed the proposals and were broadly happy with them.
 40. It was also confirmed that the business case reflected a very recent search of the market and the current market conditions with respect to rent. For example, engagement with the landlords agents had reduced the rental cost per square metre down by almost fifty percent. The current offer also included a long rent-free period and adequate on-site operational parking at reasonable rates.
 41. Members heard that the fit out of the new premises was likely to consume a significant portion of the capital programme budget and this would require an uplift in the figure currently agreed as part of the MTFP. They confirmed that they felt the case to leave to current premises had been made and that alternative options had been sufficiently explored and did not require further work.
 42. Clarification was sought on the procurement route for the capital project and whether design and build would be carried out by one company. It was agreed that the business case should address this point when presented to the Authority's Strategy and Planning Committee for formal review. There was also value in reviewing the lessons learned from elsewhere, relocations of this kind were notoriously challenging to deliver on time and on budget.

Agreed: draft business case to be updated to describe the procurement route ahead of presentation to the Authority's Strategy and Planning Committee

Agreed: subject to the amendment above the business case to be referred to the Authority's Strategy and Planning Committee for formal review with the support of the TWG

43. Options around capital smoothing were then discussed and it was confirmed that this was within the Authority's gift within the delegated control limits but that this should be considered alongside other options and pressures including efficiency plans.
44. In terms of contingency for the project and the support of the current landlord, a programme board was to be set up which would include representation by the landlord. This would enable a strong focus on developing a realistic delivery plan

and ensure that the landlord was fully sighted on that and any challenges emerging around delivery.

45. The group considered the need for consultation with the workforce on the proposed move and any unique challenges this presented owing to COVID and disruption to BAU ways of working. BTP confirmed that they would factor this into the communications and engagement plan.

AOB

Item 6

46. Attendees considered when would be the most useful date for the next meeting of the group and what inputs should be sought.

Agreed: a suitable meeting date in mid-October to be identified

Agreed: topics for inclusion on the next agenda to include;

- **Inputs/briefings from transformation project owners in the form of presentations**
- **Emerging analysis from the demand and capability review if available**
- **Initial thoughts on scenario planning/modelling to assist evaluation of options**

47. Simon Downey closed by briefing on an emerging option for the estate in London, of which custody provision would be a critical factor. He requested that the TWG receive this option for review in October to give an initial steer on whether it should be ruled in or out of further work.