

**Report to:** Police Authority  
**Agenda #:** 6  
**Date:** 23 September 2020  
**Subject:** Chief Executive Update  
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**For:** Noting

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## 1. Purpose of paper

- 1.1 This paper provides an update to Members on a range of Executive activities since my last update. I apologise for any repetition with other papers or updates for this meeting. I will be happy to take questions or elaborate at the 23 September meeting as necessary.

## 2. Strategic financial issues

### SR20

- 2.1 The Executive submitted a paper and bids to DfT for the Spending Review before the end of August. All the papers submitted were put on Board Intelligence. A series of further questions and clarifications of detail have been requested by and submitted to DfT. A further high-level paper has been commissioned for HMT and will be shared with Members when available.
- 2.2 Outcomes are expected in November.

### Medium Term Financial Plan

- 2.3 Meanwhile, the Annual business cycle continues in preparation for a new MTFP to be agreed by the Full Authority in December this year. An update is tabled for this September meeting on the work being overseen by the Strategy and Planning Committee.

### Strategic Funding Routes

- 2.4 Discussions between officials and correspondence between the Secretary of State and the Home Secretary have continued in respect of any potential central government contributions to BTP policing. Relevant correspondence has been placed on Board Intelligence.
- 2.5 Close collaboration with the Home Office continues on County Lines operations and funding. Further discussions are planned on CT and armed policing funding. No major structural changes in funding streams for BTPA, though, seem likely from SR20.

**Temporary Funding Arrangements**

- 2.6 The Executive continues to be in close touch with DfT officials in respect of rail industry funding arrangements in response to Covid and any possible consequential for BTPA funding. No significant impacts to date. But we are discussing with DfT officials whether to suspend the 'wash-up' process for reconciling 20/21 actual costs against the provisional charges agreed last December. To make this change would significantly reduce volatility of charges for TOCs. We believe this would be welcome but, at this stage, we would need explicit agreement from DfT and all PSA holders. We are planning to reach such agreement before Christmas.

**19/20 Wash-up Charges**

- 2.7 The Executive is progressing the reconciliation of final charges for 19/20 in the usual way and expects to have these finally resolved in advance of December.

**Pay Awards**

- 2.8 The Authority has approved a 2.5% Pay Award for police officers from 1 September (relevant correspondence on Board Intelligence) which is in line with the Home Office award and is expected to be paid at the end of this month.
- 2.9 The Authority has approved a 2.5% award for police staff which is subject to ongoing consultation between BTP and TSSA. Once concluded, this award would be backdated to 1 July.

**Covid Costs**

- 2.10 The Performance and Delivery Committee has studied the Q1 Outturn for BTP/A for 20/21. In summary, spending is on track to stay within the allocated budget. Save for up to £9m covid expenditure. Up to £3m of this will be paid by DfT for the costs of 'surging' numbers of officers at key points in the pandemic. A bid for a further £1m is under consideration within central government for PPE costs. The Executive are in discussion with DfT in respect of up to a further £5m additional costs which DfT have said they are willing to consider. Were these discussions not to resolve as we wish, the Authority will have the choice whether to meet these costs from Reserves or to defray them via PSA charges.

**Elizabeth Line**

- 2.11 As part of future financial planning, the Executive has been working with BTP to assess the extra costs of policing the London/SE transport network once the Elizabeth Line is open in 2022. These costs will be included in consideration of this year's MTFP.

**Axis House**

- 2.12 The Executive and BTP have engaged in a series of discussions with DfT and LCR over LCR's possible compulsory purchase of Axis House in Birmingham, so forcing BTP to find alternative accommodation from December 21, sooner than otherwise necessary. Strategy and Planning Committee has approved a

business case for a move to new premises. The precise terms of this move – and any compensation payment – remain under discussion with LCR and DfT.

### **3. Pensions**

#### **Officer Scheme Valuation**

- 3.1 The 2018 officer scheme valuation remains to be agreed. Resolution is now not likely before the conclusion of the Spending Review.

#### **Staff Scheme Valuation**

- 3.2 The 2019 staff scheme valuation is closer to resolution. This has taken a fair chunk of Exec Team time, a further update is available via the Pension Working Group update.

#### **New staff scheme**

- 3.3 Consultation is imminent on a proposed new defined contribution scheme for staff for introduction in the New Year.

### **4. Complaint Regulations**

- 4.1 At its June meeting, the Authority gave approval in principle for the proposed regulations which were at the consultation stage with staff associations. The consultation closed at the end of June, with the Federation and Superintendents Association (SA) providing a number of comments to which we have responded. The only outstanding area is the re-introduction of the 'reduction in rank' sanction. Whilst this sanction is supported both the Federation and the SA raised the issue of how this would work under the current officer pension rules. This is currently being explored with the pension lawyers and may require a rule change.
- 4.2 The Authority and BTP are keen that this technical issue does not impede the commencement of the new regulations, which bring with them significant changes for the better in complaint handling and the investigation of conduct. It is, therefore, proposed that if this issue cannot be satisfactorily resolved ahead of the proposed commencement date, that this sanction be removed from the regulations. It could then be brought in once the pension position was satisfactorily resolved through amendment regulations.
- 4.3 The commencement date of 1 September for the regulations has also been deferred to 1 November. This follows further discussion with the Independent Office for Police Conduct (IOPC) and the Home Office who are required to review our regulations and enter into a section 26 agreement with BTPA under the Police Reform Act 2002. Unfortunately, the pandemic has impacted on resources to conduct these reviews leading to a longer lead time for this work, hence the extension of the commencement date to 1 November. The current regulations remain extant until the new ones commence.

## 5. Force Leadership

- 5.1 The competition for a new Chief Constable should conclude in October. The competition for a new Deputy Chief Constable is planned to start before Christmas.

## 6. Board Effectiveness

### Action Plan and Oversight

- 6.1 The Executive Team has been spending a considerable amount of time considering the assessment of our Board Effectiveness and mechanisms for implementing this year's Action Plan. This is particularly the case given the need for a strong focus on Race issues and how they may impact the perceived legitimacy of BTP, as with other Forces. Time for Members' consideration of these issues has been set aside on 23 September.

### The 2020/21 evaluation

- 6.2 The next Effectiveness Evaluation will begin in January 2021. It is proposed that the format of this review mirror that which was used at full Authority level for 2019/20 to allow for comparison. Committee level reviews will be held within committee at quarter four, with each committee reviewing progress against their workplans, having an opportunity to discuss and agree changes required and agree proposed workplans for 2021/22.

## 7. Audit and Inspection

- 7.1 The Executive has a particular focus in helping Members and BTP maintain and respond to actions from recent GIAA audits, especially given the 'Limited' opinion assessed for 19/20. ARAC has responsibility for following up these actions, though the Full Authority will want to be sighted.
- 7.2 HMICFRS have recently written to the Chair (correspondence on Board Intelligence) stating their plans to assess the Covid preparations of all forces in England and Wales this Autumn.

## 8. Publications

- 8.1 Since the Authority last met:
- The BTPA Annual Report and Accounts were laid before Parliament at the end of July
  - The BTP Annual Report and Statistical Bulletin was published on 14 September
  - BTPA will publish the 20/21 Policing Plan on 21 September.
- 8.2 Members will also want to note a Home Secretary [press release](#) of 8 September in respect of the proposed Police Covenant, which is now to be

extended to cover BTP officers and staff as well as those from Home Office forces.

## **9. Executive Team**

- 9.1 The realities of the pandemic have driven the conclusion that we cannot justify the retention of the Camden Street offices beyond the expiry of the lease this November. We plan an interim solution combining a footprint in FHQ with working from home for the Exec Team. We will move to a more permanent solution once the implications of the pandemic and the future plans for FHQ are clearer.
- 9.2 Staffing wise, the Exec is currently recruiting four members of staff:
- Stakeholder Communications and Engagement Manager (maternity cover for Katie Stanton from November 2020)
  - Charging Manager (permanent replacement for agency staff member Dean Salvador)
  - Board Secretary – to meet one of the recommendations of this years Board Effectiveness Action Plan as well as replacing John McBride (agency staff member for Scottish Railways Policing Committee)
  - Head of Contracting to accelerate a review of our existing contracts and how we might set them up for the new financial structures within the Rail Industry.

## **10. Recommendations**

- 10.1 Members to approve the proposal at paragraph 6.2 for the next annual board effectiveness evaluation.
- 10.2 Members to note the report.