

[29 June 2022] Agenda Pack - Full Authority

MEETING
29 June 2022 11:45

PUBLISHED
24 June 2022

Agenda

<i>Location</i>	<i>Date</i>	<i>Owner</i>	<i>Time</i>
G1/G2, BTP, 25 Camden Road, London, NW1 9LN;	29/06/22		11:45
1. Apologies		Chair	
2. Declarations of Interest		All	
3. Minutes		Chair	
4. Actions		Chair	
4.1. [Background Pack] Action 17/2021 [Comparison of Performance Reporting]			
5. Risk Profile		Chief Executive	11:45
6. Draft Annual Report and Accounts 2020/21		Chief Financial Officer	12:00
6.1. Note of Draft Report and Annual Accounts Walkthrough Sessions - 13 June 2022 & 21 June 2022			
7. A Force on the Move			12:15
7.1. Mitigation of Outstanding Financial Pressures		Chief Executive	
7.2. 22/23 Funding of A Force on the Move		Chief Financial Officer	
7.3. [Background Pack] A Force on the Move Portfolio Update Working Lunch			12:55
8. Medium-Term Financial Plan 22/23: Forecast Pay Miscalculation		Chief Executive	13:10

Agenda

<i>Location</i>	<i>Date</i>	<i>Owner</i>	<i>Time</i>
G1/G2, BTP, 25 Camden Road, London, NW1 9LN;	29/06/22		11:45
9. Modernising Industry Charges			13:20
9.1. Principles for Change		Chief Financial Officer	
9.2. Future of the Police Service Agreement Wash-Up Process		Chief Financial Officer	
10. Board Effectiveness Evaluation and Action Plan			13:50
10.1. Cover Report		Head of Governance and Compliance	
10.2. Board Effectiveness Evaluation Repot and Action Plan		Head of Governance and Compliance	
11. Code of Governance Refresh 2022		Head of Governance and Compliance	14:10
11.1. [Background Pack] BTPA Code of Governance [June 2022]			
11.2. Appointment of Stakeholder Engagement Working Group		Stakeholder Engagement and Communications Manager	14:20
12. Chief Constable's Report		Chief Constable	14:25
13. Chief Executive's Report		Chief Executive	14:55

Agenda

<i>Location</i>	<i>Date</i>	<i>Owner</i>	<i>Time</i>
G1/G2, BTP, 25 Camden Road, London, NW1 9LN;	29/06/22		11:45
14. Committee Minutes			15:05
14.1. [Background Pack] Performance and Delivery [10 May 2022]		Craig Mackey	
14.2. [Background Pack] Scottish Railways Policing [18 May 2022]		Bill Matthews	
14.3. [Background Pack] Strategy and Planning [1 June 2022]		Andy Cooper	
14.4. [Background Pack] People and Culture [8 June 2022]		Bev Shears	
14.5. [Background Pack] Audit and Risk Assurance [23 June 2022 & 11 March 2022]		Kenna Kintrea	
15. [Background Pack] Non-Public Minutes		Chair	15:15
16. Any Other Business		All	
17. Meeting Evaluation		Kenna Kintrea	15:20

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Minutes

Full Authority

Wednesday 30 March 2022 at 11.00am at Meeting Room G1/G2,
 British Transport Police Force Headquarters, 25 Camden Road, London, NW1 9LN and via
 Microsoft Teams

Present:

Ron Barclay-Smith (Chair)
 Andy Cooper (Deputy Chair)
 Fiona Brunskill (*Teams*)
 Graham Evans
 Willie Gallagher
 Nick Hawkins
 Stewart Jackson
 Kenna Kintrea
 Bill Matthews
 Martin Richards (*Teams*)
 Bev Shears

Apologies:

Emir Feisal
 Craig Mackey
 Mike Gallop (arriving late)

In attendance:

British Transport Police Authority Executive

Hugh Ind (Chief Executive)
 Sarah McGarel (Chief Financial Officer and Deputy Chief Executive)
 Stephanie Calvert (Co-Head of Governance and Compliance) (*Teams*)
 Kate Carr (Project Director: Opportunities for Optimising Rail Policing and
 Security)
 Sam Elvy (Head of Strategy, Planning and Engagement) (*Teams*)
 Lucy Yasin (Co-Head of Governance and Compliance)
 Alistair MacLellan (Board Secretary / Minutes)

British Transport Police

Lucy D'Orsi (Chief Constable)
 Alistair Sutherland (Deputy Chief Constable)
 Steff Sharp (Chief of Staff)
 Sean O'Callaghan (Assistant Chief Constable)
 Charlie Doyle (Assistant Chief Constable)
 Rachael Etebar (Director of People and Culture)

Tracey Martin (Director of Finance and Commercial Services)
Amy Wilson (Head of Digital Workplace) (Item 18)

Observing:

Oliver Mulvey (Department for Transport)
Andy Odell (Rail Delivery Group) (*Teams*)
Andreas Toumba (Deloitte)

Apologies

Agenda Item 1

1. Apologies were received from Emir Feisal and Craig Mackey. Members noted that Mike Gallop would be joining the meeting late.

Declarations of Interest

Agenda Item 2

2. There were no declarations of interest¹.

Minutes of the meeting held on 8 December 2021

Agenda Item 3

3. **RESOLVED**, that the minutes of the Full Authority meeting held on 8 December 2021 be approved.

Actions

Agenda Item 4

4. Members considered a report of the Board Secretary regarding actions arising from previous meetings and the following points were made.
 - a. **13/2021 (Contact Centre Performance)**. Members noted the Force had put additional resource in place alongside a revised structure, and that improved performance was anticipated from Summer 2022. Members directed that the action be retained until a further verbal update at the June 2022 meeting.
 - b. **RESOLVED**, that the 13/2021 Contact Centre briefing note provided in the background pack be noted.
 - c. **15/2021 (IT Peer Review Briefing)**. Members directed that this action be retained until such time the proposed briefing had been delivered.

¹ On 29 March 2022 Stewart Jackson informed the Chief Executive by email of his forthcoming appointment as independent Residents' Commissioner for HS2 from 18 April 2022, and noted he would update his Register of Interests accordingly.

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- d. **17/2021 (Comparison of performance reporting).** Members noted a review had been conducted and that further work was due within the Executive to develop a revised reporting template informed by the new Policing Plan. Members directed the action be retained until June 2022.
- e. Members agreed that actions 14/2021, 16/2021 and 18/2021 could be closed.

5. **RESOLVED**, that the report be noted.

Risk Profile

Agenda Item 5

6. **RESOLVED**, that the risk profile be noted.

Railways Policing Strategy 2022/2027

Agenda Item 6

- 7. Members considered a report of the Head of Strategy, Planning and Engagement regarding the Railways Policing Strategy 2022/2027 and the following points were made.
 - a. The Chief Constable and Deputy Chief Constable welcomed the level of engagement and feedback from partners received during the development of the Strategy.
 - b. Members discussed whether reference to crime within the Mission Statement was too narrow and did not reflect the full breadth of Force activity.
 - i. One Member agreed that the onus on crime risked being perceived as too narrow, and a more appropriate word would be 'safe'.
 - ii. The Chief Constable noted that the Force's definition of crime was a broad one e.g. she considered anti-social behaviour to be synonymous with crime; and that she was nervous about associating it too closely with safety given some aspects of that label were the responsibility of industry.
 - iii. Members discussed whether pre-COVID figures were an appropriate baseline. Whereas pre-COVID figures were a useful benchmark, one Member suggested that the Force use more up-to-date data that could be reviewed in the short term to ensure it was fit for purpose. Another Member was reluctant to rely on baseline data which could be deemed unreliable from the outset.

- iv. A Member noted in her view that the preventive aspect of policing was crucial and also that the Strategy should not risk diluting the Force's policing offer by including areas that were the responsibility of partners.
 - c. Members discussed feedback from industry that a focus on driving down crime and disruption further was potentially risky given the current low levels and forthcoming increase in footfall and operating timetables.
 - i. A Department for Transport representative noted that user demographics on the railway post-COVID could prove different to pre-COVID baselines e.g. different users with different needs.
 - ii. The Chief Constable acknowledged the reduction in crime issue but was reluctant to soften the ambition or language within the Strategy to address crime. For example, the potential wording around a safe and peaceful environment reflected the fact this area was not wholly within the Force's gift, albeit the common feedback from the public was that they wanted to get home "safely" rather than "securely".
 - iii. In response to comments regarding mental health on the railway, the Deputy Chief Constable confirmed the Force was keen to do more to support partners in that area.
 - d. The Department for Transport representative noted the wider financial context of the rail industry, with forthcoming efficiencies likely having an impact on the way in which the Authority was able to issue charges to industry for policing.
 - e. In response to questions, the Head of Strategy, Planning and Engagement noted that the Strategy, once approved, would be soft launched by mid-April 2022, and publicised in partnership with the Force in June 2022. Members would be kept abreast of the launch timeline.
 - f. The Chief Constable noted the importance of effective marketing and welcomed the opportunity to liaise with the Executive ahead of publication to ensure this was as effective as possible.
 - g. The Chair summed up discussion by noting the consensus that no changes should be made to the existing Mission Statement and focus on crime; and that it would be appropriate for the Authority to review progress on the Strategy at an appropriate point in the medium-term.
8. **RESOLVED**, that Members, subject to comments made,

- a. Note that the Plan does not yet contain Medium-Term Financial Plan details, which were subject to approval elsewhere on the agenda;
- b. Note that the final version of the Plan will include an explanation of what is, and what is not, included in the Medium-Term Financial Plan at time of publication;
- c. Approve the Railways Policing Strategy 2022/2027 for publication.

Medium-Term Financial Plan 2022/2027

Agenda Item 7

9. Members considered a report of the Chief Financial Officer regarding the Medium-Term Financial Plan (MTFP) 2022/2027 and the following points were made.
 - a. The Chief Financial Officer introduced the report and highlighted,
 - i. Members had seen the MTFP previously in December 2021 where they had approved Year 1. Since that time, the outcome of the Spending Review had materialised, which provided budget cover (albeit no cash) for both fleet electrification and London Estate.
 - ii. The most significant risk was the pay assumption – with, for example, a 1% addition to the 2% forecast award representing a £3m additional annual pressure.
 - iii. Non-pay inflationary pressures such as fuel and energy should be noted. The Director of Finance and Commercial concurred, noting that fuel had been benchmarked at £1.37 per litre in November 2021 and now stood at £1.70.
 - iv. *A Force on the Move* investments were not included within the MTFP.
 - v. The Authority's agreed prioritisation framework for spending - namely efficiencies; reserves; DfT grant-in-aid; and charges.
 - b. In response to a question, the Chief Constable confirmed the high-level commitments made in the Railways Policing Strategy 2022/2027 were deliverable within the MTFP.
 - c. A Member noted that it would be helpful to be provided with a concise analysis of the total value of investment required to deliver *A Force on the Move*. Such an analysis could include a best-case scenario and a worst-case scenario, alongside a timeline towards a point 3-6 months hence.

- d. The Director of Finance and Commercial Services replied, noting that such material could be shared with Members (Action 1/2022). The Director added that a conversation was due between the Authority and Force regarding a funding strategy and appetite for *A Force on the Move* given the existing cash reserves balance.
- e. A Member commented that the Force should be realistic on what change could be delivered, given existing resources.
- f. The Deputy Chief Constable noted that he would be able to provide Members with, shortly, a plan on a page for each of the *Force on the Move* programme areas.
- g. In response to a question, the Director of Finance and Commercial Services confirmed the Force was focused on monitoring and mitigation inflationary pressures.
- h. The Chief Constable and Director of People and Culture noted a wider point around the financial context of the MTFP of officers and staff being obliged to contact the Federation and the Force's debt helpline due to cost-of-living pressures.

10. **RESOLVED**, that Members,

- a. Approve the Medium-Term Financial Plan 2022/2027, noting that it currently excluded all elements of *A Force on the Move*.
- b. Note the investment and benefits profile associated with *A Force on the Move* was expected to be ready to be shared with Members in Q1 FY 2022/23.
- c. Note the increasing scrutiny on efficiencies and driving out cost, with pressure coming from both Department for Transport and the wider rail industry.

Establishment of Investment and Transformation Working Group

Agenda Item 7.1

- 11. Members considered a report of the Head of Strategy, Planning and Engagement regarding the establishment of an Investment and Transformation Working Group and the following points were made.
 - a. Members noted the proposed Group would provide a forum where the Force's transformation programme could be overseen in a more agile way.

- b. The Chief Constable noted she was supportive of the Group being established, provided it facilitated Member insight and feedback on Force programmes and did not prevent the Force from moving at pace.

12. RESOLVED, that Members,

- a. Approve the appointment of an Investment and Transformation Working Group to support and oversee the *A Force on the Move* programme of change. This new Working Group would replace the existing Transformation Working Group.
- b. Approve the terms of reference of the Investment and Transformation Working Group.

The meeting was adjourned from 12.00pm – 12.05pm.

Policing Plan 2022/2025

Agenda Item 8

13. Members considered a report of the Head of Strategy, Planning and Engagement regarding the Policing Plans 2022/2025 and the following points were made.

- a. The Head of Strategy, Planning and Engagement introduced the report and highlighted,
 - i. That this was the first three-year Plan, designed to foster greater partnership working with industry. There was limited feedback from partners on what that might look like, but it was anticipated the Force's policing and security pilot would assist in identifying potential initiatives.
 - ii. Scottish Railways Policing Committee was sighted on the proposed plan for D Division.
 - iii. Public engagement had been positive.
 - iv. That Members were asked to delegate authority to the Executive to liaise with the Force to finalise A Division priorities.

Mike Gallop joined at this point of the meeting.

14. RESOLVED, that Members,

- a. Approve the Policing Plans for 2022/2025, noting that the Force had yet to conclude work to identify commitments for A Division.

- b. Commission the BTPA Executive to work with the Force to conclude the development of A Division priorities for 2022/2025.
- c. Commission the Performance and Delivery Committee to review its reporting dashboard to identify which key indicators of the new Plan(s) it would review at its quarterly meetings.

Contract Management and Financial Controls

Agenda Item 9

Contract Variation – Tomlinson

Agenda Item 9.1

15. Members considered a report of the Chief Financial Officer regarding a contract variation for Tomlinson Ltd and the following points were made.

- a. The Chief Financial Officer noted the issues described within the report had been scrutinised by both Strategy and Planning Committee, and Audit and Risk Assurance Committee.
- b. The Chair of Audit and Risk Assurance Committee noted that her Committee had been reassured that lessons had been learned to prevent a recurrence of this issue in the future i.e. contract spend being monitored to ensure an governance requirement was identified in a timely way.
- c. The Chief Constable noted that the allocation of Commercial and Estates into the Director of Finance and Commercial's portfolio would ensure those lessons learned were effectively implemented.

16. **RESOLVED**, that Members,

- a. approve retrospectively the J Tomlinson Ltd contract variation to the value of £1.76m (inc VAT) in accordance with the BTPA Code of Governance and Financial Delegations.
- b. Note the lessons learned and mitigations put in place by the Force to prevent a recurrence of similar contract variation issues.

Safer Streets / Railway Guardian App Breach of Digital Spending Control

Agenda Item 9.2

17. Members considered a report of the Chief Executive regarding the Safer Streets / Railway Guardian app breach of digital spending control and the following points were made.

- a. The Chief Executive introduced the report and highlighted the following,

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- i. The fact that the proposal for an app and the associated risk with approval of spend by central government had been raised with Members at their September 2021 and December 2021 meetings.
 - ii. That in his view, the public benefit of developing the app outweighed the technical breach of spending controls.
- b. A Member noted she was supportive of the app and the proposed memo to the Department for Transport, albeit she was mindful of the reputational risk posed by how the app was perceived by stakeholders; in particular those who suggested technical solutions were at the mercy of positive behavioural changes within society.
 - c. The Chief Constable was heard in reply, noting that she was appreciative of the efforts by the Chief Executive to deliver the app given 75% of sexual offences currently went unreported. The Chief Constable offered to convene an online session for interested Members to explore the app, its market testing, and proposals for post-implementation review (Action 2/2022).
 - d. An Assistant Chief Constable noted that the Force was working to ensure various reporting avenues – 61016, single online home – were as joined up as possible, and to increase the Force's footprint on the network rather than at stations.
 - e. Members noted that they were supportive of the delivery of the app.

18. **RESOLVED**, that Members support and approve the content of the Chief Executive's memo to the Department for Transport regarding the Safer Streets / Railway Guardian app breach of digital spending control.

The meeting was adjourned from 12.30pm – 12.50pm.

Members agreed to vary the order of items on the agenda so that Fleet Electrification (formerly Item 18.3) was taken next, in public session.

Fleet Electrification

Agenda Item 9.3 (formerly 18.3)

19. Members considered a report of the Chief Financial Officer regarding Fleet Electrification and the following points were made.
 - a. The Chief Financial Officer introduced the report and highlighted that the report sought Member approval of the strategic direction towards transitioning from internal combustion engine (ICE) vehicles to electric vehicles (EVs), alongside an increase in capital allocation of £1.3m for Year 1.

- b. The Director of Finance and Commercial Services noted the proposal formed part of the Force's Net Zero Carbon target. The Director acknowledged there remained a lot of work to do to bring the proposal to fruition including ensuring EV infrastructure was adequate.
- c. The Chair noted that one driver underpinning the proposal was a letter from the Secretary of State for Transport to encourage fleet electrification.
- d. In response to questions, the Director of Finance and Commercial Services confirmed that factors such as battery deterioration; physical implications of recharging; vehicle ranges; impact on Force deployment based on EV use; driver training were all subject to review.
- e. A Member cautioned that the Authority was being asked to make a strategic decision in an accelerated fashion without having the full panoply of options to hand. The Chief Executive reassured Members that the proposal on the agenda was for Year 1 only, with future years subject to further approvals.
- f. The Chief Constable noted that fleet electrification had the potential to mark the Force out as an attractive employer; and that she was nervous that the Force would be subject of a global queue if a decision on Year 1 was delayed, due to emerging supply chain issues due to the war in Ukraine.
- g. Members suggested that any lessons learned during the development of the business case could be shared with peer Forces, and the National Police Chiefs' Council.
- h. The Department for Transport representative noted that the Force should be cautious in factoring in any potential financial support from the Department.

20. RESOLVED, that Members,

- a. Endorse the strategic direction and approach as set out in the Fleet Electrification business case, moving away from internal combustion engines (ICEs) to new electric vehicle (EV) technology.
- b. Endorse the 22/23 change of use of cyclical vehicle capital spend from ICE vehicles to EVs.
- c. Approve financial spend for 2022/23, noting that outside of what had previously been approved for the CTC (Fleet) contract this amounted to £1.3m additional capital spend for 22/23.

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- d. Confirm their expectation that any cash shortfall for 22/23 be funded through Force internal efficiencies or underspends.
- e. Note the shortfall in £50k capital budget cover from DfT, and that this would be managed through the DfT forecast process and ultimately through reprofiling of capital spend, if required.
- f. Note that due to the pathfinder status of the Force's EV initiative all purchases for 22/23 will be via either Blue Light Commercial call off list, Crown Commercial Services frameworks, or the recently Force awarded 'Vehicle Converter' call off list; and request that the Force that once the procurement strategy and route (including for longer term) had been determined, the appropriate commercial approvals would be sought on a timely basis.
- g. Note that the Force would need to re-present the business case to the Full Authority in the near future (estimated Q1 FY22/23) once the business case including its costs and benefits had been further refined and could be placed alongside other desirable investments to aid prioritisation, in order that clear investment plans for 23/24 and beyond could be agreed.

Fleet Electrification Business Case

Agenda Item 9.3.1 (formerly 18.3.1)

- 21. **RESOLVED**, that the Fleet Electrification Business Case be noted.

Chief Constable's Report

Agenda Item 10

- 22. Members considered the Chief Constable's Report and the following points were made.

Great British Railways

- a. The Chief shared her nervousness around the low profile of the Force and Authority within emerging workstreams in support of Great British Railways, given the Force was mentioned only twice within the GBR paper; and policing and security was not among the GBR Transition Team's identified priorities.
- b. To address this, the Chief Constable highlighted that the Force had engaged an economist to demonstrate the Force's value for money. This workstream complemented the Force's Security & Policing Project and the Executive's review of rail policing. The Chief Constable noted that the outcome of the economist's work would lead to improved submissions and accountability of the Force before the Authority's Committees.

Security & Policing Integration Project

- c. The Chief Constable acknowledged there was variation in partnership delivery across the Force and noted that the Manchester Arena Inquiry had amplified issues that could be applied to security in most rail stations. The Chief Constable was pleased with the energy and collaboration across the five project pilot sites, and looked forward to the delivery of a more integrated policing and security approach that benefited passengers.

Modern and Inclusive Workplace

- d. The Chief Constable highlighted the Chief Officer Group restructure pending the recruitment of a Director of Digital, Data and Technology, and noted her thanks to Simon Downey for his service as Director of Transformation.
- e. The Chief Constable noted that recruitment continued to be a key focus for the Force, with some positive indicators on diversity, but overall much work to do to ensure the Force reflected the communities it served. Of particular note was the appointment of Karen Wiesenecker as Strategic Head of Inclusion and Diversity.

Optimising Service Delivery - Crime

- f. The Chief Constable noted that crime year to date was 32% less than the same period 2019/20, due in part to lower footfall. The Force nevertheless had a strong focus on crime reduction as persons returned to the rail network. Moreover the Force was reviewing its codes of practice and crime recording levels, and had received a positive HMICFRS Victim Services report.

Optimising Service Delivery – Violence against Women and Girls (VAWG)

- g. The Chief Constable noted there had been just under 2000 sexual offences year to date, with 917 incidents of sexual harassment. This was an increase of 177% which, whilst concerning, could also be attributed to increased confidence in reporting.

Optimising Service Delivery – Vetting

- h. The Chief Constable noted that securing an accurate picture of vetting of staff across the rail industry was an enduring challenge.
- i. In response to a question, the Chief Constable noted that the issue of industry vetting was ultimately one for industry and the Department for Transport to address. An Assistant Chief Constable developed the point,

noting that the Force was asking industry to introduce standardised vetting, at the very least for certain environments on the railway.

- j. The Department for Transport representative committed to securing an update on vetting from Departmental colleagues (Action 3/2022).

Optimising Service Delivery – Rape and Serious Sexual Offences (RASSO)

- k. The Chief Constable noted the Force's Rape Review Panel now met fortnightly and would be undertaking reviews of some historic cases. The Panel included independent membership.

Optimising Service Delivery – Technology

- l. The Chief Constable noted that Caroline Sparks was now in post as Head of Technology and doing an excellent job bringing focus on Force IT infrastructure and new equipment. The Chief Constable noted the personal feedback she received on her travels from rank and file officers and staff regarding improved IT performance.
- m. The Chief Constable noted the Force's adoption of a new Cyber Security Strategy. In response to a question, she replied that she was not confident that the Force and industry were aligned on cyber security as she had not seen enough evidence to satisfy herself this was the case. Ideally a strategic approach would be adopted to mirror that on cyber crime by the City of London Police: any commission would need to be provided by the Department for Transport.

Optimising Service Delivery – London Estate

- n. The Chief Constable noted the Force was preparing business cases for (1) a single site for the London Estate and (2) a preferred single site. The Chief Constable noted she would welcome a speedy decision by the Authority, and that she would be in a position to share the business case(s) with the Executive shortly.
- o. In response to a question, the Chief Constable agreed that there would be some Estate opportunities to explore nationally but added these would not be on the same scale as the opportunity presented in London. Indeed the ambition for the Force was to pursue a smaller Estate footprint in support of ensuring more officers was patrolling trains rather than stations. The inherent challenge to this approach would be managing industry expectations of where officers were based.
- p. The Chief Constable concluded by noting the forthcoming Commonwealth Games in Summer 2022 and expressing her thanks to her Chief Officer Group for their support during her first year in post.

23. **RESOLVED**, that the report be noted.

Chief Executive's Report

Agenda Item 11

24. Members considered the Chief Executive's Report and the following points were made.

Force/Authority Ways of Working

- a. The Chief Executive noted that Deloitte would shortly be commencing their work to review the BTPA Code of Financial Governance, and Force/Authority ways of working.

Executive Team

- b. The Chief Executive noted the level of forthcoming churn within the Executive and the resulting commission from the Chair to review the balance of skills and experience within the Executive in light of the challenges facing the Authority over the next few years.

25. **RESOLVED**, that the report be noted.

Committee Minutes

Agenda Item 12

Scottish Railways Policing Committee – 15 February 2022

Agenda Item 12.1

26. **RESOLVED**, that the minutes of the Scottish Railways Policing Committee meeting held on 15 February 2022 be noted.

Appointment of BTPA Member to Scottish Railways Policing Committee

Agenda Item 12.1.1

27. **RESOLVED**, that following her temporary appointment made in September 2021, Kenna Kintrea be appointed substantive BTPA Member of the Scottish Railways Policing Committee.

Performance and Delivery Committee – 16 February 2022

Agenda Item 12.2

28. **RESOLVED**, that the minutes of the Performance and Delivery Committee meeting held on 16 February 2022 be noted.

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Strategy and Planning Committee – 2 March 2022

Agenda Item 12.3

29. **RESOLVED**, that the minutes of the Strategy and Planning Committee meeting held on 2 March 2022 be noted.

People and Culture Committee – 9 March 2022

Agenda Item 12.4

30. **RESOLVED**, that the minutes of the People and Culture Committee meeting held on 9 March 2022 be noted.

Complaint Reviews Annual Report 2021/22

Agenda Item 12.4.1

31. **RESOLVED**, that the Complaint Reviews Annual Report 2021/22 be noted.

Gender Pay Gap Report 2021

Agenda Item 12.4.2

32. **RESOLVED**, that the Gender Pay Gap Report 2021 be noted.

Audit and Risk Assurance Committee – 11 March 2022

Agenda Item 12.5

33. The Chair of the Committee noted that the minutes were to follow, and made the following points,
- a. The Committee had received its first full report on the Manchester Arena Inquiry, which had provided a good overview of the Force's response to the inquiry to date. The Committee had taken comfort from the Force's action plan, noting that it included independent advice and assurance.
 - b. The Committee had approved the Management Assurance Return 2021/22, with four areas of internal governance self-assessed as Limited, namely risk management maturity; workforce planning; physical security and cyber security.
 - c. The Committee had noted three GIAA internal audits – two Moderate (Data Integrity and Payroll Controls) and one Limited (Strategic Workforce Planning). The Committee had noted work was in progress to address these gradings.

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Any Other Business**Agenda Item 13****New British Transport Police Warrant Cards**

34. In response to a question, the Director of People and Culture noted that prototypes of the Force's new warrant card had been received and were currently under review. There was no defined timeline for their delivery, but it was anticipated it would be in the short-to-medium term.

Exclusion of the Public**Agenda Item 14**

35. **RESOLVED**, that the public be excluded from the meeting for the following items of non-public business in accordance with the BTPA's Procedural Standing Orders (Annex 5, Code of Governance).

The meeting was adjourned between 1.45pm - 1.55pm.

SUMMARY OF NON-PUBLIC SESSION**Non-Public Minutes of the meeting held on 8 December 2021****Agenda Item 15**

36. **RESOLVED**, that the non-public minutes of the Full Authority meeting held on 8 December 2021 be approved.

Confidential Minutes of the Appointments, Remuneration and Appraisal Committee – 30 January 2022**Agenda Item 16**

37. **RESOLVED**, that the confidential minutes of the Appointments, Remuneration and Appraisal Committee meeting held on 30 January 2022 be noted.

2020/21 Wash-Up Process Final Update**Agenda Item 17**

38. Members considered a report of the Chief Financial Officer regarding the 2020/21 Wash-Up Process Final Update.

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Non-Public Contract Management and Financial Controls

Agenda Item 18

Contract Variation – End User Compute

Agenda Item 18.1

39. Members considered a report of the Chief Financial Officer regarding a contract variation – End User Compute.

Microsoft Licenses Renewal Procurement Strategy

Agenda Item 18.2

40. Members considered a report of the Chief Executive regarding the Microsoft Licenses Renewal Procurement Strategy.

Fleet Electrification

Agenda Item 18.3

41. This item was moved into public session at Item 9.3.

Fleet Electrification Business Case

Agenda Item 18.3.1

42. This item was moved into public session at Item 9.3.1.

Any Other Business in Non-Public Session

Agenda Item 19

43. There was no other business in non-public session.

The meeting returned to public session.

Meeting Evaluation

Agenda Item 20

44. Nick Hawkins delivered an evaluation of the meeting and the following points were made.
- a. The user-friendliness of Board Intelligence was welcomed, albeit the Executive was encouraged to reflect on whether this fostered a culture of issuing late papers given the ease with which they could be uploaded and circulated. Allied to this, could be the practice of making explicit what updates were made to the meeting pack once it had been circulated.
 - b. The meeting had been chaired effectively.

- c. New Member colleagues on the Authority would want to reflect on how best they engaged with the material before them.
- d. The hybrid meeting facilities had performed well.
- e. Thanks were placed on record to incumbent Members, the Executive and the Force for the welcome and induction extended to new Members.

The meeting ended at 2.21pm.

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ACTIONS FROM PREVIOUS MEETING(S)

No	Date	Item	Action/Paper	Owner	Due Date	Outcome
13/2021	28 September 2021	Chief Constable's Report	Further verbal update to be provided to Members on Contact Centre performance.	Rachael Etebar	29 June 2022	Recommended for Closure Verbal update to be provided at June 2022 meeting. NB Member site visit conducted on 16 June 2022.
15/2021	8 December 2021	Chief Constable's Report	Member briefing to be convened on outcome of Metropolitan Police Service peer review of Force IT.	Paddy Kidwell	30 March 2022	Recommended for Closure Briefing was delivered to Members on 25 May 2022
17/2021	8 December 2021	Chief Executive's Report	Members requested a comparison of performance reporting templates, perhaps drawn from APPC, to inform how performance data could be most effectively provided to Members outside of formal meetings.	Jon Newton	30 March 2022	Recommended for Closure Provided in Background Pack
1/2022	30 March 2022	Medium-Term Financial Plan 2022/2027	Members to be provided with a concise analysis of the total value of investment required to deliver <i>A Force on the Move</i> . Such an analysis could include a best-case scenario and a worst-case scenario, alongside a timeline towards a point 3-6 months hence. Potential to include 'plan on a page' for 11 programme areas.	Tracey Martin / Alistair Sutherland	29 June 2022	Potential for Closure <i>A Force on the Move</i> proposal has been submitted to Strategy and Planning Committee (1 June 2022) and is on 29 June 2022 agenda.

2/2022	30 March 2022	Safer Streets App Breach of Digital Spending Control	Online Member briefing to be convened on the app, its application, market testing and due diligence and post implementation review and reporting proposal.	Charlie Doyle	ASAP July 2022	In Progress Briefing to be convened during July 2022
3/2022	30 March 2022	Chief Constable's Report	Department for Transport Sponsor Team to secure update on industry vetting on behalf of the Force	Oliver Mulvey	29 June 2022	Recommended for Closure Raised with Sponsor Team as part of June 2022 meeting preparation.
4/2022	25 May 2022 Workshop	Working Towards BTPA Goals	Executive to develop proposal setting framework for Member engagement with BTPA issues outside of formal meeting process.	Hugh Ind	2 September (e.g. start of Q1 22/23 meeting cycle)	In Progress Due for discussion at Chairs' Forum 30 June 2022
5/2022	25 May 2022 Workshop	BEE 2022 Feedback	Executive to submit finalised BEE Action Plan to Full Authority at end of June 2022.	Stephanie Calvert / Lucy Yasin	29 June 2022	Recommended for Closure On 29 June 2022 agenda
6/2022	25 May 2022 Workshop	Risk Workshop	Paper on points raised during risk workshop to be submitted to Audit and Risk Assurance Committee towards end of June 2022.	Mel Morton	23 June 2022	Recommended for Closure Paper considered at Audit and Risk Assurance Committee 23 June 2022
7/2022	25 May 2022 Workshop	Microaggressions	Executive to develop proposal to ensure BTPA had covered each of the Head of Strategic Diversity and Inclusion's key questions.	Stephanie Calvert / Lucy Yasin	2 September (e.g. start of Q1 22/23 meeting cycle)	In Progress Due for discussion at Chairs' Forum 30 June 2022 / inclusion in Committee work planning

RISK PROFILE UPDATE – March 2022

The below strategic risks were discussed at the November 2021 ARAC and have since been updated by risk owners.

Member feedback to include sponsoring committees and strategic risk owners (in brackets, next to the risk title) have been included below.

		Residual Risk Score (inherent risk score) *	Residual Risk score Direction of Travel
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Report to: Full Authority

Agenda #: 6

Date: 29 June 2022

Subject: Cover: Draft BTPA Annual Report and Accounts 2021/22

Sponsor: Chief Financial Officer & Deputy Chief Executive

Author: Board Secretary

For: Decision

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1. Purpose of paper

- 1.1 To invite Members to scrutinise and approve, subject to a final review by the Audit and Risk Assurance Committee on 5 July 2022, the BTPA Annual Report and Accounts 2021/22.

2. Background

- 2.1 The BTPA prepares a report and statement of accounts for Parliament each year in line with Schedule 4 of the Railways and Transport Safety Act 2003.
- 2.2 Members have had the opportunity to be briefed, review and scrutinise the draft Annual Report and Accounts 2021/22 at two informal 'walkthrough' sessions held on 13 June 2022 and 21 June 2022. A note of these sessions is provided in the Background Papers.
- 2.3 In addition to the walkthrough sessions, the Audit and Risk Assurance Committee reviewed the draft Report and Accounts at its meeting on 23 June 2022. Key points made at that meeting include,
 - Members felt that more explicit reference could be made to the formation of the People and Culture Committee, given its key role in overseeing cultural change and mitigating strategic risk.
 - Members sought, and were provided, assurance over the management and oversight of leases by the Force.
 - Members recommended the narrative within the report should recognise the key importance and forward look of the BTPA offering value for money to industry and wider stakeholders at a time of great financial pressure.
- 2.4 Members are invited to review [Item 15 of the Audit and Risk Assurance Committee agenda \(23 June 2022\) Financial Statements Period 14 \(31 March 2022\)](#)¹ to understand movements between P13 reported to Performance and

¹ NB this link will only work if you are using the *Board Intelligence* app and have the necessary permissions.

Delivery Committee on 10 May 2022, and the figures within the draft Annual Report and Accounts.

- 2.5 The Full Authority is asked to review and approve the Annual Report and Accounts at its June meeting subject to a final review by the Audit and Risk Assurance Committee at an extraordinary meeting scheduled for 5 July 2022, to oversee any final amendments to the Report prior to submission to Parliament.

3. Recommendations

- 3.1 That Members approve, subject to any comments at the Full Authority meeting 29 June 2022 and final review by the Audit and Risk Assurance Committee, the BTPA Annual Report and Accounts 2021/22 for submission to Parliament.

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British Transport Police Fund

Statement of Accounts for the year ending 31 March 2022

Presented to Parliament pursuant to Schedule 4 of the Railways
and Transport Safety Act 2003

Ordered by the House of Commons to be printed 14 July 2022

HC xxx
SG/2021/100

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PERFORMANCE REPORT

PERFORMANCE OVERVIEW

Chair's Statement

The following report and accounts provide an overview of the achievements of the British Transport Police (BTP) over the last year in meeting the objectives set by the British Transport Police Authority (BTPA).

This is my second annual statement since the onset of the COVID-19 pandemic and whilst the UK generally seems to be in recovery, we at the BTP and the Authority are fully aware that the rail industry is still feeling the aftereffects. Passenger footfall still has not returned to pre-pandemic levels and the five-day commute appears to be a thing of the past, reflected in ticket sales.

We want our industry partners to know we fully support them in this new, unprecedented environment. The challenges felt by industry and our close working relations will inform our ways of working.

We also appreciate the financial challenges felt at home, by BTP officers and staff. We recognise the cost of living is increasing and the BTP and the Authority are determined to strike the right balance between keeping our costs down for our funders and supporting our staff and officers financially as far as we are able in response to the current climate.

This financial year has also seen the first steps towards the creation of the new rail governing body, Great British Railways (GBR). We have been working with the Department for Transport and the GBR Transition Team to ensure that rail policing services are able to adapt to and service the new structure when it is established. The Authority and ACC Gregory have also been working on a project that will examine the current security and policing arrangements on the railway in order to identify ways of optimising our contribution to the safe operation of the modern rail environment.

This need for multi-agency collaborative working between policing and security services was highlighted in the first volume of the Manchester Arena Inquiry, published last year. The Force and the Authority have carefully and deeply reflected on the Inquiry's recommendations and as the Inquiry continues to report its findings, we will ensure that collaborative working is at the forefront of our planning and everything we do.

This year was also the first full year with BTP under the leadership of Chief Constable Lucy D'Orsi QPM. Lucy has done some excellent work transforming the internal culture of the Force, embedding a new mission, vision and values and developing the new 2022-27 Strategic Plan, published in May 2022. The Authority looks forward to working with Lucy as her bold plans for the development of the Force are implemented over time.

Under Lucy's tenure, the Force has also made tackling Violence Against Women and Girls (VAWG) on the rail and underground network one of its top priorities. The 2021/22 financial year has seen 515 additional deployments to target unwanted sexual behaviour on the network, resulting in 2237 additional trains patrolled and 47 arrests. There has also been a

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177% increase in reports of sexual harassment, showing an increased willingness to report. We can only help to protect those affected by these terrible crimes if we obtain the necessary information. We are grateful to those courageous passengers and staff who do report unwanted sexual behaviour.

The 2022-27 BTP strategy will focus on six objectives: Reducing the likelihood of people coming to harm on the railways; ensuring fewer victims of the most serious crimes; working with partners to reduce disruption; building the trust and confidence of passengers and rail staff to defeat criminality together; generating value for money through the exploitation of technology; and building a modern and inclusive workforce.

We have also welcomed a new Deputy Chief Constable, Alistair Sutherland QPM, who joined us from the City of London Police in Autumn 2021. Alistair is the national policing lead for Counter Terrorism Command and Control and will be responsible for BTP's Strategy and Performance, Corporate Governance, Professional Standards and Strategic Communication.

Finally, I should like to thank all of the BTP staff and officers for their continued efforts in this financial year. The pandemic saw a decline in passengers yet also created opportunities for an increase in other crimes, like graffiti and vandalism, due to fewer people on the network. I have been immensely proud to witness the way the Force, individual officers and staff as well as the staff of the Authority have adapted their ways of working in the face of unprecedented change, and I look forward with my Authority colleagues to overseeing this work in the future.

Ron Barclay-Smith

Chair

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About Us: A Strategic Overview

Who we are

The British Transport Police Authority (BTPA) is an executive non-departmental public body of the Department for Transport (DfT) established on 1 July 2004 under the Railways and Transport Safety Act 2003.

What we do

We are an independent body responsible for overseeing the work of the British Transport Police (BTP) - the national dedicated police force for the railways. The number of members ranged between 9 and 14 members of the BTPA throughout 2021/22 who provided knowledge and experience of issues that concern passengers, the railway industry and railway employees. The members currently meet six times a year to set British Transport Police strategy, medium-term financial plans and annual budgets, monitor its operations and allocate funds. Members also carry out supporting business through committees and working groups, the current structure (as of 31 March 2022) includes:

- Audit and Risk Assurance Committee
- Appointments, Remuneration and Appraisal Committee
- Strategy and Planning Committee
- Performance and Delivery Committee
- Scottish Railways Policing Committee
- Policing Plan Working Group
- Pensions Working Group
- Complaints Review Panel
- Strategy Working Group
- People and Culture Committee

Our vision

Our vision is to collaborate with service operators and businesses in an expanding rail industry to provide a safe, secure and reliable transport system for passengers and those who work on the railways.

Our mission

Our mission is to keep the railways safe and protect people from crime, ensuring that levels of disruption and the fear of crime are as low as possible.

Our ambition and objectives

Protecting People

Protecting the network and passengers from the threat of terrorism, anti-social behaviour and crimes that cause the most harm.

Reducing Delays and Disruption

Reducing the impact of trespass on the network, through prevention and working in partnership to identify lasting solutions, to return possession to the railway operators as soon as it is practically safe to do so.

Providing Value for Money

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Putting our people in the places where they are needed most, investing in technology, identifying additional sources of funding and providing regular, consistent and relevant reports to stakeholders.

Building a Skilled and Specialist Workforce

Providing the equipment and tools our officers and staff need to do their job safely and effectively; attracting and retaining a diverse workforce by focusing on the recruitment, development and progression of under-represented groups and reducing the gender pay gap.

Our values

The values and behaviours required to execute our Strategic Plan and achieve the organisational changes necessary to deliver our ambitions and objectives are as follows:

Proud: We are proud to be the specialist police force responsible for policing the railways.

Compassionate: We care about people and put those who are vulnerable or victims at the heart of everything we do.

Commercially Aware: We demonstrate the value of our activities to the public and rail industry and understand the financial impact of our actions.

Professional: We act with integrity at all times, displaying our professional and ethical principles.

Safety Conscious: We operate safely in a highly-regulated and often dangerous environment, taking personal responsibility to ensure our training and knowledge are up to date.

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Performance Summary

Our successes (infographic as per 2020 AR)

- A 30% increase in crisis interventions in 2021/22
- 515 additional deployments to target unwanted sexual behaviour on the network, resulting in 2237 additional trains patrolled, 46 arrests, 477 stop accounts, 67 stop searches and 46 safeguarding interventions
- County Lines: 153 interventions involving children or young people
- In January 2022, the Force's Birmingham Hub - Baskerville House – opened
- BTP arrived at fatal incidents in an average of 19 minutes
- BTP officers in Scotland have been able to carry Tasers on duty since September 2021
- The percentage of priority incidents attended within 60 minutes has increased from 87% to 93%
- female officer representation up from 21.3% to 21.8%, and ethnic minority officers up from 9.9% to 10.6%.

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Protecting and Safeguarding People

The BTP aims to Protect and Safeguard People by prioritising four areas: protecting the network from the threat of terrorism, preventing and detecting the most harmful crimes, helping people in crisis or at risk of exploitation, and exploiting technology to complement our policing approach.

During 2021/22, there were 13,125 counter-terrorism armed patrols carried out at Category A (high risk) stations, while eight multi-agency exercises took place with industry partners to test their responses and identify any areas for development. There were also 32 ACT (Action Counters Terrorism) awareness and operational input sessions carried out throughout the financial year.

There was a 38% increase in the number of notifiable crimes recorded by BTP compared to the previous year (increase from 37,312 in 2020/21 to 51,345 in 2021/22). In Scotland, there was an 8% increase in crimes (Groups 1-5)¹ recorded by BTP 2021/22 compared to the previous year, from 1,213 to 1,310. The number of offences (Groups 6-7)² recorded in Scotland increased by 35%, from 2,788 to 3,759. Variations in the number rail passenger numbers since the outbreak of the Covid-19 pandemic have continued to influence demand on BTP. The Office of Rail and Road (ORR) reported that there were 714.9 million passenger journeys during quarters 1 to 3 in 2021/22; this was a 132% increase compared to the same period last year.³ The number of crimes per million passenger journeys reduced from 42.5, during quarters 1 to 3 in 2020/21, to 28.7 for the same period in 2021/22. Compared to 2019/20, BTP recorded 30% fewer offences (2019/20: 73,144).

Although BTP has seen only small changes in the number of vulnerability reports received relating to adults (2020/21: 3,694, 2021/22: 3,696) and children (2020/21: 9,894, 2021/22: 10,038), there has been a 30% increase in crisis interventions in 2021/22 (2020/21: 10,533 2021/22: 13,740).

BTP have improved their response times, with the percentage of priority incidents attended within 60 minutes has increased from 87% to 93%, with 76% of immediate incidents arrived at within 20 minutes, up from 73% the previous year.

BTP joined the Government and other police forces across England, Scotland and Wales in their nationwide efforts to tackle Violence against Women and Girls. In November 2021, BTP were awarded White Ribbon Accreditation, recognising a commitment to tackle violence against women.

Specifically in London, BTP are working with Transport for London (TfL) on the 'Report it to Stop' it campaign to tackle unwanted sexual behaviour on the capital's transport network. This campaign encourages passengers to text BTP on 61016 in response to any behaviour that makes them feel uncomfortable.

This year has seen a 177% increase in reporting of sexual harassment. This doesn't necessarily mean an increase in occurrence of these crimes but instead that victims are more confident and willing to report it, thanks to prominent posters and messaging across the network.

BTP funded 515 additional deployments to target unwanted sexual behaviour on the network, resulting in 2237 additional trains patrolled, 46 arrests, 477 stop accounts, 67 stop searches and 46 safeguarding interventions. An anonymous online reporting system was also launched.

BTP has been at the forefront of the national effort to tackle County Lines criminality, which is the practice of drug trafficking from cities to rural areas, usually by vulnerable people coerced by gangs and often using the rail network. During 2021/22, BTP officers have seized 12.789kg of drugs, 165 weapons and £518,989 in cash. 548 arrests have been made, with five Modern Slavery charges including the force's first conviction for child trafficking.

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Importantly, as part of the County Lines activity, 153 interventions were made involving children or young people.

The Force has secured a further £12.9m investment from the Home Office for County Lines for the next three years.

Behind the scenes of this critical police work, BTP are continually looking at new and innovative ways to use technology to support our approach.

In January 2022, the Force's Birmingham Hub - Baskerville House – opened. This new Midlands base provides critical technology that will ensure no disruption to the Force Control Room based there. It will also be a flagship for Smarter Working at BTP, with hot desking and technology to enable agile working for all that work there.

Furthermore, the BTP technology department has started work on a new mobile application, the Railway Guardian app. This app will allow users to report incidents to the 61016 number, as well as anonymous reporting and reporting station issues to train operating companies.

Reduce Delays and Disruption

The impact of disruption to the rail network is far reaching – from the individual journey, vital supplies via freight and impact to people and businesses across the country. BTP has a vital role to play in preventing disruption events and then dealing with the aftermath in a professional and expeditious manner, so that services can run safely and on time.

The number of disruption incidents increased by 38% in 2021/22 (2020/21: 19,890, 2021/22: 27,380). The number of minutes associated with these incidents increased by 58% (2020/21: 817,328; 2021/22: 1,293,215).

BTP continues to work jointly with the rail industry to reduce trespass, with a focus at trespass hotspot locations, and joint problem solving plans and regular reviews of performance, activity and recommendations to improve safety. They have also been working with Network Rail and other rail industry partners on the 'You vs. Train campaign', which encourages people to consider the serious consequences of trespassing on the railway. BTP Officers continue to patrol the network to help tackle the issue and have also been engaging with schools to raise awareness of the dangers of the railway. However, disruption minutes caused by trespass have increased by 20% compared to 2020/21 (20/21: 237,304 21/22: 285,050).

An important part of preventing disruption is focusing on those who are most vulnerable and/or at risk. The number of life-saving interventions by BTP increased in 2021/22 by 20% (2020/21: 1998, 2021/22: 2403).

While fatality hand back time (non-suspicious) has remained static at 97 minutes, the Force are still missing the agreed target of under 90 minutes. BTP continues to arrive at fatal incidents in a prompt manner, in an average of 19 minutes, the same as in 2020/21. The number of primary disruption minutes caused by fatalities or injuries caused by a train increased by 19% (2020/21: 116,199, 2021/22: 138,352).

Value for Money

Our partners and the public want to be confident that we will use our budget and resources effectively and can demonstrate that we provide value for money in delivering the services they need. BTPA is funded by the railway and follows government regulations around safeguarding public money.

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There are several levers in place to ensure value for money including controls over purchasing and contract award. A robust Commercial approach guides procurement purchases and contract management and reports into a Strategic Commercial Board at BTP. In parallel, the Finance Assurance Board reviews areas of spend, such as procurement card purchases. BTP works with the Crown Commercial Service and the wider policing community to achieve synergies and value for money. This can be illustrated with the transfer our police uniform requirement to the National Uniform Managed Service which has not only delivered cash savings but also wider economies of scale shared opportunities alongside broader uniform disposal cost avoidance benefits.

The Force has also completed a major Estates re-location with its move to Baskerville House in Birmingham, which hosts an important element of our command and control, people, and frontline capability areas. This project has again delivered cash savings but also allowed the Force to introduce smarter working initiatives to support employee wellbeing and retention which have enabled an overall reduction in floorspace and environmental footprint.

There continues to be a focus on optimising our economies of scope through the effective deployment of our resources to meet emerging priority demand. As part of the Force urgency to tackle Violence against Women and Girls (VAWG) on the rail network all officers will be deployed operationally for an additional two days per month allowing added visibility for no extra cost to the rail industry. Further details surrounding wider efficiencies and benefits are continued later in the report.

Building a Skilled and Specialist Workforce

The strategy states that BTP officers and staff will be appropriately trained and equipped with the skills and tools needed to deliver the specialist policing required to achieve the Force's objectives.

This year, D-Division officers have been able to carry Tasers on duty since September and Tasers have been distributed to outer stations across Scotland. Twenty specials have also been trained to use and carry Taser, with BTP being the first force in England, Scotland and Wales to adopt this position.

The Force's Uniform Board have reviewed and/or tested a range of items including trousers, epaulettes and stab vests in order to improve wear for officers and staff. In D-Division, 200 waterproof jackets, beanies and microfleece have been rolled-out to combat winter weather. Gender neutral uniforms are also available to all staff and officers.

An Officer Compendium has been published which sets out all officer terms and conditions in one place. There has also been an increase in the paternity and baby loss offer; now the most generous in UK policing.

Police officer and staff combined turnover has increased slightly, with 537 leavers in 2021/22 compared to 427 in 2020/21. However, sickness rates have decreased slightly from an average of 14.9 days taken per person (Full Time Equivalent) to 12.4 (including COVID-19 related sickness).

BTP has seen marginal increases in its representation rates for female and ethnic minority police officers at the end of 2021/22 compared to last year, with female officer representation up from 21.3% to 21.8% (at 31 March) and ethnic minority officers up from 9.9% to 10.6%.

BTP has focused heavily on officer and staff wellbeing this year, launching a wellbeing hub on the Force intranet with over 25,000 hits to date. They have also trained 93 peer supporters to support wellbeing across the Force, with plans to grow this programme.

BTP's gender pay gap for 2022 reduced for the fourth consecutive year to a mean gap of 6% and median gap of 12.3% (2020: 7.6% mean and 13% median).

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The Force launched a confidential ‘Speak Up’ reporting app, ‘Trust your gut’ and PSD Victims’ Charter to make reporting inappropriate behaviour, bullying and harassment simple and transparent with victims at the heart. The Force have also launched a new mission, vision and values entitled ‘A Force on the Move’.

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Financial Analysis

The net deficit for the financial year was £109.9 million (2020/21): £66.6 million), £106.6 million (2020/2021: £56.5m) of which relates to IAS19: Employment Benefits pensions accounting adjustment. The result excluding the IAS19 adjustment is therefore a £3.3 million deficit (2020/2021: £10.1m deficit).

	<u>Year ending 31 March 2019 £'000</u>	<u>Year ending 31 March 2020 £'000</u>	<u>Year ending 31 March 2021 £'000</u>	<u>Year ending 31 March 2022 £'000</u>	<u>Budget 2022/23 £'000</u>
Income	303,189	305,262	319,838	331,123	X
Expenditure	(376,450)	(384,978)	(386,460)	(441,006)	X
Net Deficit Including IAS19 pension costs	(73,261)	(79,716)	(66,622)	(109,883)	X
Adjusted net surplus/(deficit) Removing IAS19 pension costs	(1,904)	(5,726)	(10,132)	(3,313)	X
Non-Current Assets	49,419	68,043	67,690	89,826	N/A
Total Assets	108,790	126,661	125,612	154,049	N/A
Current Liabilities	(49,495)	(55,011)	(58,194)	(62,546)	N/A
Non-Current Liabilities	(782,352)	(596,237)	(1,054,862)	(938,016)	N/A
Taxpayers Equity	(723,057)	(524,587)	(987,444)	(846,513)	N/A

Five-year Financial Performance

The table shows financial outturn figures for the year ending 31 March 2019 to the year ending 31 March 2022 and the budget for 2022/23.

A new Medium-Term Financial Plan covering 2022/23 through to 2026/27 was reviewed by the Authority during 2021/22. The total expenditure control budget was approved for 2022/23 as well as an increase to the Policing Service Agreements (PSA) charges in line with RPI plus 1% to allow for the Workplace Violence Coordination Unit and resources for the Elizabeth line.

The table indicates that the key volatile element of the annual income and expenditure is the IAS19 pension costs. An adjusted deficit figure removing the IAS19 cost has therefore been provided to allow comparability over the four years and a clearer underlying financial position. The IAS19 adjustment is the sum of net interest on the net defined benefit liability and service cost; reduced by employer contributions.

The net pension liability is also the key volatile element of assets and liabilities. After adopting IAS19: Employee Benefits, the opening financial position as at 1 April 2021 shows net pension liabilities of £1,039.1 million. The net liability of the scheme on 31 March 2022 was £912.5 million; a decrease of £126.6 million in the year. A higher discount rate has significantly decreased the benefit obligation in the current financial year. The Department for Transport (DfT), as the Authority's sponsoring department, underwrites any pension shortfalls.

Current Year Performance

The net deficit for the financial year was £109.9 million (2020/21: £66.6 million), £106.6 million (2020/2021: £56.5m) of which relates to IAS19: Employment Benefits pensions accounting adjustment. The result excluding the IAS19 adjustment is therefore a £3.3 million deficit (2020/2021: £10.1m deficit).

Costs as a result of the COVID-19 pandemic have been incurred in 2021/22 however not to the degree experienced during 2020/21. The table below shows the breakdown of the expenditure incurred as a result of the pandemic compared to the previous financial year. The DfT agreed grant-in-aid to fully fund the 2020/21 expenditure. £6.5 million of this funding was received during 2020/21, and the remainder in 2021/22. Grant-in-aid is accounted for on a cash basis, despite the Fund otherwise being reported on an accruals basis. Funding was recognised through the statement of changes in equity. Expenditure in the current year has been absorbed within existing funding.

Spend category	2021/22 (£'000)	2020/21 (£'000)
Operation 'Big Wing'	210	1,660
Other revenue	1,580	6,860
Capital	9	1,060

Operation 'Big Wing' expenditure refers to costs incurred on additional dedicated operations at peak travel times during lockdown periods and where there were limited rail services. Other revenue expenditure refers in part to overtime incurred to maintain operational staffing levels during the pandemic. This cost category also includes the purchase of personal protective equipment, cleaning services as well as costs associated with single vehicle crewing required to maintain safe working practices. Capital expenditure in the prior year facilitated agile and remote working; the minimal expenditure in the current year was to maintain a safe working environment in offices.

The European Union Exit did not have a material impact on financial results during 2021/22. There was no material extra expenditure on this area.

Income recognised in the year increased by £11.3 million, from £319.8 million in 2020/21 to £331.1 million in 2021/22. This increase is largely due to an inflationary increase in BTPA charges.

There was an increase of £44.1 million in staff costs, from £299.2 million in 2020/21 to £343.2 million in 2021/22. £43.1m of this increase is as a result of a higher IAS19 pensions contributions adjustment. The remaining £1m increase is attributable to employee spine point progression. No significant cost impact resulting from the annual leave liability value existed in the current year compared to a £4.7m cost incurred in 2020/21. No pay award was given to employees in 2021/22.

Other expenditure increased by £3.9 million, from £55.0 million in 2020/21 to £58.9 million in 2021/22. Increased fleet fuel and maintenance costs, as well as increasing legal claim expenditure

have been the main drivers for this increase. The organisation has also incurred a one-off cost for software licenses.

In the statement of financial position, the carrying value of non-current assets increased by £22.1 million, from £67.7 million in 2020/21 to £89.8 million in 2021/22. Additions of £36.7 million were made in the current year; the largest being £10.1 million IT equipment to invest in the IT infrastructure, as well as right of use property additions at a value of £13.4 million. Leases linked to these additions included Brewery Road, Baskerville House and Spring House. Two significant capital projects in the current year were the development of Baskerville House (capital cost £5.9 million) and essential investment in the wider estate portfolio (capital cost £3.7 million). The DfT provided grant-in-aid during 2021/22 to fund this expenditure, which has been reflected through the Statement of Changes in Equity. The revaluation of assets also increased the total value of non-current assets by over £3 million. This was reduced by depreciation and amortisation charges of over £17 million.

Total current assets increased by £6.3 million, from £57.9 million in 2020/21 to £64.2 million in 2021/22. Receivables decreased by £10.8 million, though this was offset by an increase of £16.8 million in cash. The main cause for the net movement is the early cash receipt of funds from a customer which is usually received in the next financial year. A cash receipt from the DfT of £3 million relating to the 2020/21 Covid-19 grant-in-aid was also received early in the financial year.

Total current liabilities increased by £4.4 million, from £58.2 million in 2020/21 to £62.6 million in 2021/22. This derives from an increase in the trade and other payables balance, as well as an increase in provisions. The increase in the trade and other payables balance was caused by an increase in accruals as well as fewer invoices waiting to be paid in the accounts payable ledger. The value of provisions has increased through a higher level of new provisions or uplifts compared to the value of provisions utilised or written back.

The value of non-current liabilities decreased by £116.9 million, from £1,054.9 million in 2020/21 to £938.0 million in 2021/22. This was driven by a decrease in the net pension liability following a higher discount rate applied in the IAS19 valuations.

Delivering Efficiency and Benefits

BTPA is established in improving efficiency and delivering wider benefits for both our partners and the public. The commitment in the Strategic Plan to achieving £18.7 million in lasting cashable efficiencies over the period of implementation has been continued. £2.9 million of new efficiencies were attained in 2021/22 with a further £1.4 million of efficiencies settled in the 2022/23 refreshed Medium-Term Financial Plan.

In 2021/22 the BTP2021 portfolio culminated with the conclusion of a final series of savings and benefits aligned to the delivery of the current strategy. The efficiency programme completed the Duty & Event Planning restructure, resulting in savings of approximately £0.4 million and the accomplishment of better results with the same resources via more

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consistent deployment approaches. The Force has released meaningful savings through the rationalisation of its training estate. Full implementation of new structures, partnering models and professionalised and automated processes for Finance, People and Commercial functions has provided savings of £1 million in 2021/22.

The Force has continued to exploit opportunities derived from the evolving pandemic that have sustained employee productivity and wellbeing. The rollout of Microsoft Teams via video conferencing has generated emerging savings within our telephony contract and supported the cancellation of legacy audio-visual contracts. Our cost improvement programme has continued to target non-pay savings opportunities surrounding hotel, travel and wider subsistence. We have concluded our CCTV Network Migration project which has supplied cash savings whilst improving CCTV service quality, connectivity and flexibility with Train Operators across our deployed footprint including at short notice as demonstrated with BTPs response to the Mersey Rail train incident in March 2021.

Key areas of progress this year include:

Technology

BTP has delivered the final elements of a 3-month rollout of new IT Infrastructure across its 145 offices under the End User Compute programme. By the end of the 3 months, the Force supported by our supplier Computacenter, will have issued close to 2500 laptops and fitted out a similar number of desks with new 24 Inch Monitors and connected over 5000 new keyboards and mice. Additionally, the programme will have removed over 10,000 legacy pieces of equipment for either market resale to be recycled to our budget or environmental disposal. It has enabled an instantaneous improvement to frontline operational effectiveness with an 80% improvement on terminal logon times from 13 to 3 minutes which will allow BTP officers to increase visibility at our stations. This ongoing refresh of infrastructure continues to support our security and utilisation of core systems such as Niche Crime Recording and Control Works Incident Recording which have seen 90% improvements in accessibility speeds as a result of the fitting of new laptop devices. The technology team continue to issue modern mobile devices to employees that both complement and allow us to reduce the total number of fixed work spaces. The combined technology workstreams delivered savings in 2021/22 of £0.5 million.

Digital Evidence Management System (DEMS)

The Force has completed the implementation of the DEMS system to become a 'one-stop shop' for officers to manage digital evidence. It is interfaced with our crime and incidents record management systems and a number of other specialist evidence storage solutions currently used by BTP. Now fully functional, this interfacing will allow for working copies of digital evidence to be viewed side by side in DEMS. This will enable officers to view the different forms of digital evidence at a click, rather than requesting and waiting to receive evidence stored on portable media. DEMS will also be the cloud storage location for all new CCTV data. The programme has delivered both cash savings with the decrease in hard media costs such as CDs and will contribute in reducing criminal justice delays by facilitating the ability to share digital evidence directly from DEMS to the CPS.

Smarter Working

Alongside the introduction of NUMS and the move to Baskerville House in Birmingham the Force continues to deliver a Smarter Working portfolio accelerated via the pandemic. This includes maximising our investment in Office365 packages and use of Microsoft Teams to enhance collaboration and augment team planning and communications which enables a blended working approach that promotes staff wellbeing, reinforces the BTP diversity offer

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surrounding recruitment and retention whilst maintaining a productive service offering to our partners and the public. This has included the insertion of new applications on mobile devices allowing 'on the go' access to learning and safety management systems and our new support Hub to maximise both officer and staff time in the delivery of operational policing and supporting stakeholders.

As the BTP2021 portfolio ends it merges with a new strategic direction under construction alongside a fresh transformation initiative to continue to deliver an innovative and continuously improved force on the move. Works in ongoing to develop an efficiency approach that allows the Force to rebalance its budget to fund this ambitious new transformative agenda out to 2026.

Sustainability Report

BTP and the Authority are committed to achieving Net Zero Carbon (NZC) by 2035¹. It is a key component of the new 2022-2027 Strategy and is supported by a new Net Zero Carbon strategy which was published this year. The key elements detailed in our strategy to achieve this are:

- Data collection, measurement, validation and reporting: to understand and monitor our impact against a baseline of 2019 data
- Personal empowerment and contributions: for all of our people to place sustainability at the heart of what we do
- Delivery initiatives: including in our supply of gas and electricity, then looking more broadly at partnering with our supply chain to realise our commitment to Net Zero Carbon.

BTP have chosen 2019 as the baseline year to report against, since this is when we have robust, accurate data to compare against. The initial data capture and subsequent analysis, which was collated in February 2022, was manual and time-consuming. Our focus therefore for 2022/23 is to deploy software to automate as much of the process as possible and then produce an updated carbon footprint for that year.

Greening Government Commitments	Baseline 2019/20	Operational target to 2030 S1/2 2035 S3	Operational Performance		Reduction from baseline	Gross Expenditure 2021/22
			2020/21	2021/22		
Greenhouse Gas Emissions (tonnes/CO ₂) (Scope 1 – Direct Energy)	4,101 tCO ₂ e	-46.2%	N/A	N/A	22/23 will be first re measure	£97,940
Greenhouse Gas Emissions (Scope 2 – Indirect Energy)	8,209 tCO ₂ e	-46.2%	N/A	N/A	22/23 will be first re measure	£1,180,326
Greenhouse Gas Emissions (Scope 3 – travel, fleet, suppliers, staff commute)	11,080 tCO ₂ e	-67.2%	N/A	N/A	22/23 will be first re measure	£62,135,734

¹ Interim targets have been set in line with the Green House Gas Protocol, for Scope 1&2 emissions to achieve Net Zero Carbon by 2030 with Scope 3 emissions by 2035. Following the 2035 target, further targets are set to achieve maximum reductions by 2050 to reduce the dependence on offsetting to ensure Net Zero Carbon can be maintained long into the future.

Waste expenditure	n/a	<10%	114t	118t	3.5% increase due to PPE	N/A
Water (m³/FTE)	3.24m³	<4-6m³	2.64m³	2.07m³	-38%	£77,200
Paper (reams A4 equivalent)	19,778	-50%	12,774	8,241	-58%	N/A

The scope of our sustainability reporting includes our operations including projections for Scope 1 & 2 where we have buildings provided by TfL and all buildings where we pay un-metered charges.

Greenhouse Gas Emissions

Greenhouse Gas emissions continue to reduce within BTP's estate. Although there has been a growth of agile working, due to Covid-19 measures, operational requirements have meant the majority of BTP's sites have continued in use, albeit with much fewer occupants. Some sites have been surrendered in favour of a reduced footprint (Birmingham) but this was late in 2021/22 and therefore the impact is yet to be realised.

Waste

The Total Facilities Management (TFM) contract covers collection and disposal of waste at 10% of BTP's sites (although these represent 39% of total area); the remaining sites have waste collection provided by the landlord. Of the reported disposal, 118 tonnes (less than 6%) is sent to landfill. The small increase is due to the need for safe disposal of Covid-19 PPE.

Water

Water consumption continues to be below 4m³ per full time employee. BTP has not implemented any reduction schemes, and the reduced level is believed to reflect lower occupancies in the sites with metered water. The trend is showing reduction year on year with 2021/22 a reduction of 38% of the baseline consumption.

Paper

Paper consumption greatly declined in the last 12 months and was 58% less consumption than that of 2019/20. This reduction is a result of the continued shift towards more digital processes, as well as reflecting more agile working practices. The operational target was met, with BTP consuming less than 50% of the paper from 2019/20. This continued a trend over the years and is not expected to rise when a greater number of people return to the office.

Travel – Car Fleet

BTP fleet currently stands at 567 vehicles. 273 of these are cars. By March 2022, there were 5 electric vehicles in use with a further 20 delivered but being converted into marked response cars. Of the total 80 cars ordered in 2021/22, 20% are electric vehicles. Our target for new cars being electric was 25% so we have exceeded this target. Our ambition is for the remaining fleet to move over to EV by April 2025, ahead of the 2027 target.

Domestic Flights

There is a target to reduce the domestic flights by 30% from the 2019/20 baseline (279 flights).

With the easing of restrictions in 2021/22 there were a total of 74 domestic flights taken, which was an increase on 2020/21 figures (39 flights), however, this still only equated to 27% of the 2019/20 baseline, again far more than the reduction required. A large part of this was due to an engagement campaign for our new Strategy and transformation programme and operational requirements such as the COP26 summit running in parallel to the Manchester Arena Inquiry.

Climate change adaptations

BTP continues to have zero locations which require adaptation to climate change. Premises continue to be risk assessed for exposure to flooding, and such factors are taken into consideration with business continuity planning.

Sustainable Procurement

BTP applies the use of the Government Buying Standards and management of supply chain impacts, as required by GGC. As part of our NZC strategy we have switched office supplies to that of being from sustainable sources, required all new suppliers to agree to having NZC strategies in place by 2025, stated our NZC ambition on all recruitment activity, implemented Recycle to Reuse on uniform provision, moved to a uniform contract with zero landfill and have actively led the police service on implementing performance EVs in the role of response police cars.

Procurement of food and catering services

Procurement of food and catering services falls under the TFM contract. This includes a requirement to meet the Government Buying Standards (GBS) and advertise tenders to small and medium-sized businesses to remove barriers from the supply chain to allow for competition.

Sustainable construction

BTP only had one major refurbishment project during 2021/22. The competition was run through a Crown Commercial Service framework where the supplier was required to comply with ISO 14001 which maps out a framework that a company or organization can follow to set up an effective environmental management system providing assurance that environmental impact is being measured and improved. In respect of Ethical Sourcing, we followed the requirement such that supply chain partners are required to evidence ethical sourcing practices by providing formal certification and supporting procedures. When delivered, suppliers must provide verified certification for products, for example FSC approved timber.

Hugh Ind
Accounting Officer

Date xx July 2022

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ACCOUNTABILITY REPORT

CORPORATE GOVERNANCE REPORT

Directors' report

Authority Members:

Ron Barclay Smith

Chair

Re-appointed 5 March 2022 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority: Chair
- Appointments and Remuneration Committee: Chair
- Appointments, Remuneration and Appraisal Committee: Chair

Appointments outside BTPA:

- Royal Institute of Chartered Surveyors: Member of the Regulatory Tribunal
- Pitteadie Castle Ltd: Director and Co-Owner

Dominic Booth

Re-appointed 1 September 2017 with a term of four years and a notice period of three months. Term ended 31 August 2021.

BTPA responsibilities:

- Police Authority
- Performance and Delivery Committee: Chair Scottish Railways Policing Committee

Appointments outside BTPA:

- Abellio North West Ltd: Director
- Abellio Bus Holdings Ltd: Director
- South Eastern Holdings Limited: Director (Dissolved)
- West Midlands Holdings Limited: Director
- West Midlands Trains Limited: Director
- Abellio East Midlands Limited: Director
- South Eastern Railways Limited: Director (Dissolved)
- Abellio Merseyside Ltd: Director (Dissolved)
- Anglia Rail Holdings Limited: Director
- Abellio Transport Group Limited: Director
- Abellio Scotrail Ltd: Director
- Abellio Surrey Limited: Director (Dissolved)
- Rail Delivery Group Limited: Director
- Abellio East Anglia Limited: Director
- Abellio Thameslink Limited: Director (Dissolved)
- Abellio London Ltd: Director
- Abellio West London Ltd: Director
- Abellio Northern Ltd: Director (Dissolved)
- Abellio Greater Anglia Ltd: Director
- Abellio New Business Ltd: Director (Dissolved)

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- Merseyrail Services Holding Company Limited: Director
- Northern Rail Holdings Limited: Director
- Northern Rail Limited: Director
- Merseyrail Electrics 2002 Limited: Director
- Abellio Transport Holdings Ltd: Director

William Matthews

Reappointed 31 October 2019 with a term of three years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Scottish Railways Policing Committee: Chair
- Pensions Working Group: Chair

Appointments outside BTPA:

- National Register of Scotland: Non-Executive Advisor
- Self-employed: Association of Chartered Certified Accountants (ACCA) and Nursery and Midwifery Council (NCM)
- Unitary Board of Independent Office of Police Conduct: Non-Executive Member
- Scottish Criminal Cases Review Commission: Chair
- Scottish Futures Trust: Director
- Redress Scotland: Deputy Chair

Andrew Pollins

Reappointed 1 September 2017 with a term of four years and a notice period of three months. Term ended 31 December 2021.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee
- Strategy and Planning Committee: Chair

Appointments outside BTPA:

- Axima FM Holding Limited: Board of Directors – Director
- Axima FM Limited: Board of Directors – Director
- Cofathec Energy Limited: Board of Directors - Director
- Cofathec Heatsave Limited: Board of Directors – Director
- Cofathec UK Limited: Board of Directors – Director
- Covion Holdings Limited: Board of Directors – Director
- East London Energy Limited: Board of Directors – Director
- Elyo Falcon: Board of Directors – Director
- Engie Developments Ireland Limited: Board of Directors – Director
- Engie Shotton Limited: Board of Directors – Director
- Equans Buildings Limited: Board of Directors – Director
- Equans Coleshill Limited: Board of Directors – Director
- Equans FM Limited: Board of Directors – Director
- Equans Group UK Limited: Board of Directors – Director

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- Equans Hatfield Limited: Board of Directors – Director
- Equans Holding UK Limited: Board of Directors – Director
- Equans London Limited: Board of Directors – Secretary
- Equans London Limited: Board of Directors – Director
- Equans Newcastle Limited: Board of Directors – Director
- Equans Regeneration Holdings Limited: Board of Directors – Director
- Equans Regeneration Limited: Board of Directors – Director
- Equans Services Limited: Board of Directors – Director
- Equans Wath Limited: Board of Directors – Director
- EWP Technical Services Limited: Board of Directors – Director
- Gower Street Heat and Power Limited: Board of Directors – Director
- Industrielle De Chauffage Enterprise United Kingdom Limited: Board of Directors – Director
- Keighley Metering Services Limited: Board of Directors – Director
- M.D.P. (Engineering) Limited: Board of Directors – Director
- Resource Environmental Services Limited: Board of Directors – Director
- Vivo Defence Services Limited: Board of Directors – Director

Stella Thomas

Reappointed 1 September 2017 with a term of four years and a notice period of three months. Term ended 31 December 2021

BTPA responsibilities:

- Police Authority
- Policing Plan Working Group
- Performance and Delivery Committee
- Strategy and Planning Committee: Deputy Chair

Appointments outside BTPA:

- Cardiff Wales Guided Tours: Partner

Beverley Shears

Appointed 26 January 2017 with a three-month extension granted. Reappointed 3 April 2020 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Appointments and Remuneration Committee
- Appointments, Remuneration and Appraisal Committee
- Strategy and Planning Committee
- Pensions Working Group
- People and Culture Committee: Chair
- Complaints Review Panel

Appointments outside BTPA:

- North West Anglia NHS Trust: Non-Executive Director (Deputy Chair since 1 January 2021)

- De Montfort University: Independent Governor
- De Montfort University Students Union DSU Ltd: Director
- Blue Amaranth Consulting Ltd: Owner

Martin Richards

Appointed 26 January 2017 with a three-month extension granted. Reappointed 11 March 2021 with a term of two years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Policing Plan Working Group: Chair
- Performance and Delivery Committee
- Appointments and Remuneration Committee
- Appointments, Remuneration and Appraisal Committee
- People and Culture Committee
- Complaints Review Panel

Appointments outside BTPA:

- Sussex Mental Health Partnership Trust: Director
- Chichester Diocese: Director (Safeguarding)
- Sussex Cricket Limited: Board Member (Unremunerated)
- Sussex Charity Mentors: Trustee (Unremunerated)

Willie Gallagher

Appointed 26 January 2017 with a three-month extension granted. Reappointed 11 March 2021 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Policing Plan Working Group
- Strategy and Planning Committee
- Scottish Railways Policing Committee
- Strategy Working Group

Appointments outside BTPA:

- TSL Scotland Ltd: Director

Andrew Cooper

*Appointed 20 May 2019 with a term of four years and a notice period of three months.
Appointed Interim Deputy Chair 1 December 2020 with a term of one year. Interim Deputy Chair extended by a further six months.*

BTPA responsibilities:

- Police Authority
- Appointments and Remuneration Committee
- Appointments, Remuneration and Appraisal Committee

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- People and Culture Committee
- Complaints Review Panel
- Policing Plan Working Group: Deputy Chair
- Transformation Working Group: Chair
- Strategy and Planning Committee: Chair
- Strategy Working Group: Chair

Appointments outside BTPA:

- Permanent Way Institution Ltd: Non-Executive Director (no remuneration)

Graham Evans

Appointed 20 May 2019 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee: Deputy Chair
- Pensions Working Group
- Strategy and Planning Committee

Appointments outside BTPA:

- UK Hospitality: Senior Counsel (Contractor not employee)
- Parkdean-Resorts Ltd: Senior Counsel (Contractor not employee)
- GTE Consultants: Director
- Political Insight UK Ltd: Director

Kenna Kintrea

Appointed 20 May 2019 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee: Chair
- Scottish Railway Policing Committee
- Strategy and Planning Committee
- Strategy Working Group
- Transformation Working Group

Appointments outside BTPA:

- Akorua Ltd: Owner and sole director
- NNB Generation Company (HPC) Limited: Independent Non-Executive Director

Sir Craig Mackey

Appointed 20 May 2019 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee
- Performance and Delivery Committee: Chair
- Transformation Working Group

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Appointments outside BTPA:

- Civil Nuclear Police Authority: Interim Chair
- CTM Strategy and Consulting Ltd: Director (Small scale business – consultancy work)

Fiona Brunskill

Appointed 23 February 2022 with a term of four years and a notice period of three months.

BTPA responsibilities commencing from 1 April 2022:

- Police Authority
- Appointments, Remuneration and Appraisal Committee
- Pension Working Group
- Strategy and Planning Committee: Deputy Chair

Appointments outside BTPA:

- *Transport for London: Director, People and Cultural Change*

Emir Feisal

Appointed 28 February 2022 with a term of four years and a notice period of three months.

BTPA responsibilities commencing from 1 April 2022:

- Police Authority
- Audit and Risk Assurance: Deputy Chair
- Pension Working Group
- Strategy and Planning Committee

Appointments outside BTPA:

- YMCA London City & North: Director of Corporate Services (Part Time)
- Companies House Crown Way: NED & Chair of Audit
- The Bar Standards Board: NED
- The Pension Ombudsman: NED
- Driver and Vehicle Standards Agency Berkeley House: NED & Chair of Audit
- The Serious Fraud Office: NED & Chair of Audit
- The Judicial Appointments Commission Clive House: Commissioner
- Public Service Honours Committee Cabinet Office: Committee member
- Ministry of Justice: Magistrate, & Judge of the family Court
- The Henry Smith Charity: Trustee & Chair of the D&I Sub-committee
- Complimentary and Natural Healthcare Council: Disciplinary Panel member
- The Queen's award for Voluntary Services: Committee member

Mike Gallop

Appointed 23 February 2022 with a term of four years and a notice period of three months.

BTPA responsibilities commencing from 1 April 2022:

- Police Authority
- Performance and Delivery Committee: Deputy Chair
- Policing Plan and Stakeholder Engagement Working Group: Deputy Chair
- Strategy and Planning Committee

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Appointments outside BTPA

- Network Rail Infrastructure Ltd: Route Director: Western Route

Nick Hawkins

Appointed 28 February 2022 with a term of four years and a notice period of three months.

BTPA responsibilities commencing from 1 April 2022:

- Police Authority
- Appointments, Remuneration and Appraisal Committee
- Complaints Review Panel
- People and Culture Committee: Deputy Chair

Appointments outside BTPA

- Office of Police and Crime Commissioner: Legally Qualified Chair West Midlands Region and North East Region
- Royal Institution of Chartered Surveyors: Lay Chair and Member, Regulatory Tribunal
- Lord Chancellor Ministry of Justice: Lay Member, Lord Chancellor's
- Advisory Committee, West Midlands and Warwickshire (Voluntary)
- Sports Resolutions: Legal Arbitrator (Fee Paid)
- Normanton Chambers: Barrister (self-employed as a tenant in chambers)
- The Hawkins Consultancy Ltd: Director
- TRUSTESHIP UK Sports Association for People with Learning Disability: Voluntary

Stewart Jackson

Appointed 28 February 2022 with a term of four years and a notice period of three months.

BTPA responsibilities commencing from 1 April 2022:

- Police Authority
- Audit and Risk Assurance Committee
- Complaints Review Panel
- People and Culture Committee

Appointments outside BTPA

- Department for Transport: HS2 independent Residents' Commissioner (Commencing 18/4/2022)
- Regen Aspire Limited: Director
- UK Political Insight Ltd: Director

Authority Officers

Chief Executive Officer - Hugh Ind

Chief Financial Officer and Treasurer - Sarah McGarel

BTP Chief Officer Group

Chief Constable - Lucy D'Orsi QPM

Deputy Chief Constable - Alistair Sutherland QPM (appointed 8 November 2021)

Deputy Chief Constable - Adrian Hanstock QPM (term ended 7 November 2021)

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Assistant Chief Constable: Public Contact and Specialist Crime - Charlie Doyle
Assistant Chief Constable: Specialist Operations - Sean O'Callaghan
Director of Strategy and Change - Simon Downey OBE (left 11 March 2022)
Director of Finance and Commercial Services - Tracey Martin
Director of People and Culture - Rachael Etebar

Pension arrangements

BTP follows IAS 19: *Employee Benefits* which has resulted in the liabilities of the British Transport Police Force Superannuation Fund ("Police Officer scheme") and the British Transport Police Shared Cost Section of the Railways Pension Scheme ("Staff scheme") being recorded on the Statement of Financial Position. Refer to note 23 for further disclosure relating to the two pension schemes. Refer to note 2.19 for BTPA's accounting policy for pensions.

The last full valuation of the Police Officer scheme took place as at 31 December 2018. This has not yet been finalised. At the 2015 valuation, it had an asset base of £846 million and a funding level of 101%.

The last full valuation of the Staff scheme took place as at 31 December 2019. It had an asset base of £137.1 million and a funding level of 101%.

Fraud, bribery and corruption

BTPA follows the Cabinet Office Counter-Fraud Functional Standards and takes a zero tolerance approach in the event of any fraud, bribery or corruption. Any suspected cases of fraud, bribery or corruption are investigated vigorously in accordance with our Anti-Fraud, Bribery and Corruption Policy. The policy is available to read on the BTPA website. In line with best practice, BTP/A are pro-active in the prevention and detection of fraud, bribery and corruption using risk assessments to determine workstreams and areas of focus. BTP/A have a well-publicised whistle-blowing policy. There is an anonymous mechanism where employees can report any suspicions or concerns. Whistle-blowing reports are reported to the Audit & Risk Assurance Committee.

Auditors

The accounts of the British Transport Police Fund are audited by the Comptroller and Auditor General ("C&AG") under the Railways and Transport Safety Act (2003). The cost of the audit is £127,000 (2020/21: £120,000). The C&AG did not undertake any non-audit work for BTPA (2019/20: £nil).

As far as the Chief Executive as the Accounting Officer is aware, all relevant audit information has been made available to the auditors. The Accounting Officer has taken all necessary steps required to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Other Parliamentary Disclosures

In November 2019 a novel strain of coronavirus was detected and spread rapidly, leading the World Health Organisation to declare a pandemic on 11 March 2020. The pandemic caused significant economic disruption just before the financial year end.

Commented [ML1]: To be confirmed by NAO

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The ongoing disruption caused by the pandemic has created significant economic uncertainty, and this uncertainty is expected to continue throughout 2021.

Commented [ML2]: Lyns update

Events occurring after the reporting date

There are no events to report.

Commented [MS3]: to confirm through to the date of signing

The date the accounts are authorised for issue is the date that they are certified by the Comptroller and Auditor General.

Hugh Ind
Accounting Officer

Date 15 July 2021

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Statement of Accounting Officer's Responsibilities

Under the Railways and Transport Safety Act (2003), the Secretary of State for Transport has directed BTPA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of BTPA and of its income, expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on an on-going concern basis, and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of the Department for Transport has designated the Chief Executive Officer as the Accounting Officer of the British Transport Police Fund. In addition, the Chief Executive Officer has, with the agreement of the Department for Transport, appointed the Chief Constable as an Additional Accounting Officer, to be accountable for the resources which come under his or her control. This appointment does not detract from the Chief Executive's overall responsibility as Accounting Officer for the BTPA's accounts.

The Chief Constable has statutory responsibility for the direction and control of the Force and is required to have regard to the plans and strategies published by the Authority. The Authority's Code of Corporate Governance sets out the relationship between the Chief Constable's statutory and common law responsibilities, independence in matters of policing and the Chief Constable's responsibilities as Additional Accounting Officer. These include the management and expenditure of BTP, and joint responsibility for the preparation of these accounts. This appointment reflects the autonomy BTPA grants to BTP in the spending of the budget given to it by BTPA, and BTP's full independence in policing matters. However, it remains the role of BTPA to exercise appropriate oversight of BTP, and the appointment does not detract from the Chief Executive Officer's overall responsibility as Accounting Officer for the accounts.

The responsibilities of an Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable; keeping proper records; and safeguarding BTPA's assets, as set out in Managing Public Money published by HM Treasury.

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As the Accounting Officer, I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that the BTP Fund's auditors are aware of that information. So far as I am aware, there is no relevant information of which the auditors are unaware.

Governance Statement

Accounting Officer's introduction to corporate governance

As Accounting Officer for the British Transport Police Fund, I am responsible for maintaining a strong system of governance, internal control and risk management that supports the achievement of the British Transport Police Authority's (BTPA) policies, aims and objectives, whilst safeguarding the funds and assets for which I am personally responsible in accordance with the duties assigned to me by the Secretary of State for Transport.

The Chief Constable is appointed as an Additional Accounting Officer with responsibility for the BTP budget, transactions and associated matters relating to BTP's financial management, policies, aims and objectives.

As an Arm's Length Body of the Department for Transport (DfT), the BTPA Chair and Executive have regular meetings with officials. Both the Executive and the Chief Constable have access to the Ministerial team, to discuss policing and strategy.

BTPA strive for continuous improvement of governance, to ensure our duties to discharge oversight of BTP are effective and decisions are made constructively, in a culture that fosters openness and debate. This is replicated within BTP's governance structure and there is effective working between both organisations. BTPA commissioned and supported a review of the BTP Chief Officer Group structure this year, to ensure the required skills and expertise are available, and BTP have supported continuous improvement of reporting to BTPA committees. Both organisations have worked closely together to understand and monitor strategic risks. A review of the Code of Governance which details governance between BTPA and BTP commenced prior to year-end and will conclude in the next year.

2021/22 was the first full year of Chief Constable D'Orsi's leadership, with Deputy Chief Constable Alistair Sutherland joining in November 2021. A key focus of the new Chief Constable has been reviewing culture and accountability at BTP, which has introduced greater empowerment for employees and strengthened ownership of key areas by senior management. The results of some of our internal audits reflect this improvement, though we note there are still some areas which require more focus from management. Our governance mechanisms maintain oversight of areas for improvement and ensure there are plans in place to address the risks in these areas.

Governance in the Policing sector is ever-more critical in light of the increased scrutiny of the external environment following some very public, high-profile reports of failings across the UK. BTP and the Authority, through their governance structures, have ensured key areas have had effective oversight of both BTPA committees and BTP senior management. Legitimacy is

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a key strand of the new Strategy, both in forward planning and in day-to-day governance activities. Legitimacy has been woven into each of the BTPA committees to ensure it is being considered from different angles. Assurance over the approach to legitimacy has been obtained, both through management's own controls as well as internal audit, the results of which are used by management to ensure best practice and learning from others are used in improving our processes and controls. In relation to providing services to victims, the inspection by Her Majesty's Inspectorate of Constabularies, Fire and Rescue Services (HMICFRS) found BTP "*can rightly be proud of the service it provides to victims of crime*". Yet we recognise there is more we can and should do, and we continue to strive to improve.

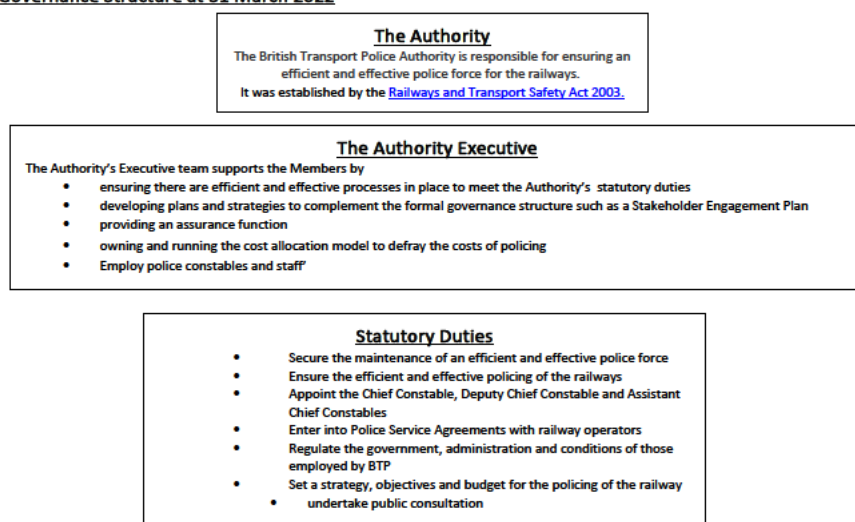
The first volume of the Manchester Arena Inquiry was published this year, which management have monitored closely to ensure the Inquiry's recommendations lead to demonstrable improvement. Across BTP and the Authority, there is a shared goal to minimise the possibility of the tragic events of 22 May 2017 happening again. The Audit & Risk Assurance Committee continue to provide ongoing independent, objective oversight of the response to the Inquiry's recommendations.

In both BTP and BTPA, risk-driven assurance is key to effective oversight activity. Internal controls are subject to risk-based audits across the three lines of defence. Strengthened reporting to BTP boards and BTPA committees enables collaborative discussions on internal controls and oversight of any remedial actions required. The introduction of strategic risk deep dives has facilitated a better understanding of the risks which provide the greatest threat to the organisation, and the assurance in place to validate that the mitigating processes and controls are designed and operating effectively.

Risks and challenges will continue to evolve in the coming year, not least from the economic environment (including the impact of the Ukraine-Russia war), changes to the rail industry following the Williams-Shapps Review and a continued public and media spotlight on police legitimacy and conduct. BTP and the Authority will continue to use, and adapt where necessary, strong governance, risk management and internal controls to ensure compliance and accountability.

Governance Structures

Governance Structure at 31 March 2022



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Sub-Committees

Appointments, Remuneration and Appraisal

- Approve the recruitment of senior officers of the BTP and BTPA's Chief Executive and Chief Financial Officer
- Monitor the annual performance of senior staff at the BTP and BTPA.
- Lead on workforce matters including conditions of service of police officers, staff and specials
- Leading on the engagement with staff associations

Audit and Risk Assurance

- Review and advise on matters relating to the internal and external audit of BTPA
- Provide the Authority and Accounting Officer with a recommendation to sign the financial statements and governance statement
- Advise the Authority on the effectiveness of the BTPA and BTP's plans for risk management, control and governance

Performance and Delivery

- Monitor and challenge operational and business performance and delivery of strategic and annual plans

Scottish Railways Policing

- Provide accountability and transparency for railway policing in Scotland
- Provide oversight and scrutiny of the safe and effective management of railway policing in Scotland
- Assess and report to BTPA on value for money in relation to those elements of the BTPA Fund invested in railway policing in Scotland

Strategy and Planning

- Ensure an integrated approach to the development of the Strategy, Medium Term Financial Plan, Policing Plan and Annual budget

People and Culture

- Oversee and appraise BTP's approach towards matters pertaining to people, culture, leadership and behaviours.

Complaints Review Panel

- Independently review BTP locally handled complaint investigations when requested by a member of public, to determine if the complaint should be upheld, in accordance with the Complaints and Misconduct Regulations 2020
- Capture learning and trends from reviews

Pension Working Group

- Provide oversight of the police officer and police staff pension schemes
- Endorse recommendations on pensions to the People & Culture Committee

Strategy Working Group

- Oversee development of Railways Policing Strategy 2022/25 ahead of its submission to Strategy and Planning Committee.

Policing Plan Working Group

- Oversee development of Policing Plan 2022/2 ahead of its submission to Strategy and Planning Committee.

Chief Officer Group

- Set the strategic tone and direction for BTP
- Act as the senior decision making forum for BTP
- Consider highlight reports from BTP governance boards and provide approval or issue further instruction as appropriate
- Consider high level risks and action to mitigate risk
- Provide an audit trail on key decisions

The Police Authority

The Authority meets up to six times a year and is required to make specific decisions according to the statutory duties noted above.

The Chair and Members of BTPA are appointed by the Secretary of State. Members are drawn from people who have experience of the rail industry, railway staff, the travelling public and others with designated experience across England, Scotland and Wales. Members are not intended to be representative of those interests but all work together and act as a single corporate body.

Details of current Members are included in the Directors' report; referencing also the sub-Committees on which they serve. Meeting attendance details are included earlier in this section.

Sub-Committees

The sub-committees listed below have been formally scheduled throughout the year. This does not take into account additional extraordinary committee meetings, regular breakfast briefings, training sessions and Member-only sessions.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) was chaired by Kenna Kintrea. It currently has four Members, met four times in 2021/22 and undertook a wide range of assurance activities, including overseeing:

- Risk Management and counter-Fraud activities
- Financial compliance, including Accounts preparation and compliance with standards and regulations
- The Internal Audit and External Audit programmes
- Her Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS) and Her Majesty's Inspectorate of Constabulary Scotland (HMICS) inspection programme
- The submission of the Management Assurance Return to the DfT
- Overseeing the implementation of remedial actions resulting from audits, external reviews and submissions to the Department for Transport
- Monitoring and assessing compliance with and performance against statutory duties

Appointments, Remuneration and Appraisal Committee (formerly Appointments and Remuneration Committee)

The Appointments, Remuneration and Appraisal Committee was established in-year on 28 September 2021 and is chaired by Ron-Barclay-Smith. It replaced the former Appointments and Remuneration Committee, also chaired by Ron Barclay-Smith.

The former Appointments and Remuneration Committee had four Members and met once in 2021/22 where it considered issues including:

- Senior Talent Management
- Smarter Working
- Deputy Chief Constable Recruitment

The Appointments, Remuneration and Appraisal Committee also had four Members and met once in 2021/22 where it considered,

- Extension of a Chief Officer post.
- A review of the Force's Chief Officer Group

Performance and Delivery Committee

The Performance and Delivery Committee is chaired by Craig Mackey. It had up to five Members, met four times during 2021/22 and exists to scrutinise BTP's policing plan and financial and commercial performance; and its performance across key areas of Legitimacy. During the year it considered a range of standing and thematic matters as set out in its annual plan of work, including:

- Quarterly monitoring of Policing Plan and Financial and Commercial performance
- Quarterly monitoring of Legitimacy including Custody, Use of Force, and Stop and Search

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- Deep dives on topics including Justice Outcomes and Victim Service Experience.

Strategy and Planning Committee

The Strategy and Planning Committee was chaired by Andrew Pollins and, from 1 January 2022, Andy Cooper. It had up to six members, met four times during 2021/22 and exists to ensure an integrated approach to the development of the Strategy, Medium Term Financial Plan, Policing Plan and annual Budget. Throughout the year it considered,

- Dispensing with the 2020/21 Cost Allocation Model Wash Up process.
- An uplift in Core Policing Resources needed to police the Elizabeth Line, and defraying of these additional costs for 2022/23.
- Recommendation of business cases to the Full Authority.
- The allocation of Police Service Agreement Charges to industry for 2022/23.

The Committee also oversaw the development of the Railways Policing Strategy 2022/27, the Medium-Term Financial Plan 2022/27 and the Policing Plan 2022/25.

Scottish Railways Policing Committee

The Scottish Railways Policing Committee is chaired by Bill Matthews. It has three Members from BTPA and two Members from the Scottish Police Authority (SPA). It met four times in 2021/22. The Committee provides assurance to BTPA, SPA and Scottish Government Ministers on the delivery of railway policing in Scotland. Throughout the year it considered:

- Quarterly monitoring of BTP Policing Plan performance in Scotland
- Quarterly monitoring of examples of joint working between BTP and Police Scotland
- Quarterly monitoring of BTP audit and inspection activity with reference to Scotland
- BTP planning and delivery for Conference of the Parties 26 (COP26) (Oct-November 2021)
- BTP workforce gender balance in Scotland, and initiatives to promote appropriate internal culture within the Force in Scotland
- Development of the Railways Policing Strategy 2022/27 and the Policing Plan 2022/25 with respect to Scotland
- Thematic items on BTP Fleet, Estates and the Victim Experience in Scotland
- Annual value for money report for BTP in Scotland, with proposed adoption of Best Value metrics for application from 2022/23.

People and Culture Committee

The People and Culture Committee was established in September 2021 and took on the People aspects previously overseen by the former Appointments and Remuneration Committee and the Performance and Delivery Committee. It is chaired by Bev Shears and has three Members. It met three times in 2021/22 and considered a range of issues including but not limited to:

- Quarterly monitoring of People performance data
- Police Officer Pay Review
- Smarter Working
- Force Equality, Diversity and Inclusion
- Initiatives to promote appropriate internal culture within the Force
- Recognition Agreement for Superintending Ranks
- Family-Friendly Policies
- BTP Values

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- Gender Pay Gap Report 2021
- Apprenticeships
- Implementation of BTP's Violence against Women and Girls Delivery Plan
- Annual Report of Complaint Reviews

Strategy Working Group

The Strategy Working Group was established in September 2021 and reports to the Strategy and Planning Committee. The Working Group is responsible for scrutinising and informing the development of the Railways Policing Strategy 2022/2025. It is chaired by Andy Cooper and has three Members. It met four times in 2021/22 and the Strategy was approved by the Full Authority on 30 March 2022.

Policing Plan Working Group

The Policing Plan Working Group reports to the Strategy and Planning Committee. It is an annually established task and finish body responsible for scrutinising and informing the development of the Policing Plan. It is chaired by Martin Richards and has three Members. It met three times in 2021/22 and the Policing Plan was approved by the Full Authority on 30 March 2022.

Pension Working Group

The Pension Working Group reports to the People and Culture Committee (prior to that, the Appointments and Remuneration Committee). It is chaired by Bill Matthews and has three Members. It met four times in 2021/22. It is responsible for overseeing pension issues pertaining to the Force and the Authority, including but not limited to Police Officer and Police Staff Scheme Valuation(s), the Schemes themselves, and BTP Pension Policy.

Complaints Review Panel

The Complaints Review Panel exists independently to review the handling of complaints and determine whether the complaint in question was dealt with reasonably and proportionately. It also considers any themes or trends and wider organisational learning with reference to complaints. It consists of three Members and the Head of Governance and Compliance, and met ten times to consider fifteen cases since it was established. Its annual report was submitted to the People and Culture Committee and in March 2022.

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Committee Attendance

Member name	Number of Authority meetings attended/number of Authority meetings available	Number of Appointment and Remuneration Committees attended/ number of Committee dates available (Discontinued in December 2021)	Number of Appointment, Remuneration and Appraisal Committees attended/ number of Committee dates available	Number of Complaints Review Panel meetings attended/number of Committee dates available	Number of People and Culture Committees attended/ number of Committee dates available	Number of Audit and Risk Assurance Committees attended/ number of Committee dates available	Number of Performance and Delivery Committees attended/ number of Committee dates available	Number of Strategy and Planning Committees attended/ number of Committee dates available	Number of Scottish Railways Policing Committees attended/ number of Committee dates available	Number of Policing Plan Working Groups attended/ number of meeting dates available	Number of Pension Working Groups attended/ number of meeting dates available
Ron Barclay-Smith	6/6	2/2	1/1								
Dominic Booth 1	2/2						0/1		0/1		
William Matthews	6/6								4/4		3/4
Andrew Pollins 2	4/4					3/3		3/3			
Stella Thomas 3	4/4						3/3	3/3		2/2	
William Gallagher	4/6							4/4	4/4	3/3	
Martin Richards	6/6	2/2	1/1	10/10	3/3		4/4			3/3	
Beverley Shears	6/6	2/2	0/1	9/10	3/3			2/4			2/4
Graham Evans	6/6					4/4		3/4			4/4
Andrew Cooper	6/6	2/2	1/1	10/10	3/3		4/4	1/1		2/3	
Kenna Kintrea	6/6					4/4		4/4	2/2		
Sir Craig Mackey	4/6					4/4	4/4				

1: Dominic Booth's term ended on 31 August 2021.

2: Andrew Pollins' term ended on 31 December 2021

3: Stella Thomas' term ended on 31 December 2021

Executive Team

BTPA has an Executive Team of 14, covering strategy and performance, governance, compliance, finance, communications and stakeholder engagement.

BTPA's Chief Executive Officer is appointed the Accounting Officer by the Principal Accounting Officer at the Department for Transport.

BTPA's Chief Financial Officer fulfils the role of Treasurer to BTPA with the responsibility for the proper management of the BTP Fund. This enables BTPA to receive independent financial advice in all aspects of its activity, including the strategic planning and policy making process, as well as on budgetary matters.

Separately the BTP Chief Constable has been appointed as an Additional Accounting Officer. In this role, the Chief Executive assigned to the Chief Constable responsibilities relating to all expenditure and activities by BTP within the agreed budget and specific revenue or capital projects as defined in the Scheme of Delegation.

Risk Management

While there has been a marked improvement in BTP and the Authority's management of strategic-level risks and Board and management oversight of these, embedding a culture of risk management has progressed at a slower pace.

Risk management is a standing item at all BTPA committees and at the Force Executive Board meetings and annual workshops are now held with Authority Members, the Executive and Chief Officers to conduct horizon scanning, set risk appetite levels and review strategic risks and opportunities against the strategic objectives. All strategic risks have been allocated a sponsoring Authority committee to assess and monitor the risk in greater detail. Risk management training was provided across all levels of the organisation and an annual deep dive of all strategic risks has commenced.

An Internal Audit was conducted on Risk Management to assess the progress made to align with the Government's Orange Book. Pockets of good practice were noted but there remains a need to consciously embed risk management within the organisation and to allocate resources to support bringing it to life.

BTPA acknowledges there is still more to do to fully embed risk management across the organisation. In particular, there is a need for consistency in understanding and demonstrating active risk management within functions in BTP and the Authority against risk appetite, to embed risk into the decision-making processes and to conduct deep dives into the strategic risks and their corresponding controls.

Risks are assessed using a 5 x 5 impact and probability matrix with well-defined scoring criteria. Target scores have been allocated based on the risk appetite. Quarterly reviews document the mitigations and future actions required to reduce the score towards its target score.

The current assessment of the Strategic Risk Register and uncertainties facing the BTP and the Authority are presented below.

Principal Risks and Uncertainties

2021-22 Strategic Aims:

- Protecting People 🛡️
- Reducing Delays and Disruption ∞
- Providing Value for Money £
- Building A Skilled and Specialist Workforce ●

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Key to Future Trend (medium – long term, over the next 1-5 years):

Risk expected to remain stable:










Risk expected to increase in 2022/23:




Risk expected to decrease in 2022/23:



Risk	Mitigating Actions in place	Future Trend
<p>Failure to attract, develop and retain people who exemplify our desired behaviours and culture and are representative of the communities we serve, leads to a loss of confidence and operational challenges.</p> 	<p>People & Culture committee established, for enhanced oversight</p> <p>People & Culture programme to deliver change, including a review of leadership structure</p> <p>Diversity & Inclusion Strategy in place</p> <p>Enhanced Inclusion & Diversity resources to attract a more diverse range of candidates</p> <p>'Trust Your Gut' campaign to emphasise we care about ethical and values-based behaviour</p> <p>Linked PDR and Talent Management Process to support and develop staff</p> <p>Recruitment campaigns seek to attract a diverse range of candidates</p> <p>Support groups for networks of diverse colleagues, and lead sponsors</p> <p>Refreshed our Intranet to make it easier for staff to access information</p>	<p></p> <p>This risk relates to the new strategic objective on Building a Modern and Inclusive Workforce and is expected to decrease in the short term then remain stable over the next few years.</p>
<p>Failure to maintain public and stakeholder trust and confidence due to inability to maintain professional standards, proportionality and wider scrutiny around policing standards, leading to challenges to operational delivery and reputational damage.</p> 	<p>Legitimacy included in all BTPA committees, for additional oversight</p> <p>Violence against Women and Girls strategy launched and uplift in officer capacity to increase patrol time</p> <p>Vetting process in line with College of Policing Authorised Professional Practice and working towards ISO 9001 (achieved April 2022)</p> <p>HMICFRS inspections to provide independent assurance on Victim Support</p> <p>Internal campaign and mechanism for employees to anonymously report inappropriate behaviour</p> <p>Board oversight of Use of Force and Use of Powers</p> <p>Independent Scrutiny Panels in place for Stop & Search and Use of Force</p>	<p></p> <p>This risk links to the new strategic objective to build trust and confidence and is expected to decrease as the initiatives put in place start to show positive results. Linked closely to the People risk, there are controls to ensure BTP are recruiting suitable people into Policing.</p>

	<p>Strategic Independent Advisory Group in place to engage with representatives from different communities</p> <p>Processes in place for Business Interests, Gifts & Hospitality, and for staff to report any changes in circumstances</p> <p>All staff complete training on "Abuse of Position"</p>	
<p>BTP and the Authority may not capitalise on opportunities and relationships with external partners to deliver more effective and efficient services in response to demand, leading to financial loss and operational impacts.</p> <p></p>	<p>Industry consultation on the Policing Plan and Strategy</p> <p>Engagement on Great British Railways, to try and influence the future of security on the Railways</p> <p>A 'Working Together Group' has been established with rail industry partners</p> <p>BTP Head of External Engagement appointed</p> <p>County Lines training offered to rail industry partners</p>	<p></p> <p>Partnership working is a key element of the new strategy – to innovate and collaborate with partners. Positive engagement with stakeholders has already seen this risk reduce. We have plans in place to continue to strengthen our partnerships.</p>
<p>Failure to protect and manage our data and information may result in a significant data loss which leads to a loss in confidence, operational risk, regulatory censure and financial loss.</p>	<p>New Cyber Security Strategy launched</p> <p>IT Health Check independent assurance completed and maturity assessment conducted</p> <p>Board oversight of information and data- related issues and assurance</p> <p>Information Asset Owners identified for all systems and data</p> <p>Independent audit of data integrity</p> <p>Regular communication to all staff about cyber security</p>	<p></p> <p>There are short term plans to mitigate this risk, then the risk is expected to remain stable over the next few years.</p>

<p>BTP and the Authority may not exercise due financial control, including financial planning, contract management and understanding the true value and cost of the services they provide to stakeholders, leading to lack of budgetary cover from the DfT, ineffective decision-making, financial loss and a limited operational capacity due to insufficient funding.</p>	<p>Monitoring of supply chain issues and increases</p> <p>Board oversight of financial controls and escalation mechanisms for non-compliance</p> <p>Oversight of financial reporting</p> <p>Budget holder training and delegation letters</p> <p>New purchasing software to improve automated controls</p> <p>Counter-fraud activities to detect and prevent fraud; and regular communications about financial wellbeing</p>	<p>↓</p> <p>BTP has a strategic objective to generate value for money. While current external economic pressures pose an increased risk, both in terms of managing budgets and an increased risk of fraud, strengthened financial controls and oversight will reduce the risk over the next 1-3 years. A continued, joint focus on financial governance and controls is ongoing.</p>
<p>BTP and the Authority may not design and deliver a sustainable strategic change programme to provide an affordable, effective and efficient service, leading to operational and financial impacts</p>	<p>BTP Head of Transformation role appointed</p> <p>'A Force on the Move' change programme drafted and communicated</p> <p>Ongoing Internal Audit advisory work on 'A Force on the Move' change programme to provide real-time independent feedback</p> <p>Board oversight of the change portfolio</p>	<p>↔</p> <p>The transformation programme is a key enabler to deliver the new strategy. Advice has been sought to ensure the Portfolio Management Office has been set up with strong governance, oversight and greater capacity and capability. A Transformation and Investment sub-committee will provide oversight.</p>
<p>BTP and the Authority may fail to realise the opportunity to embed a culture where the wellbeing, health and safety of staff is engrained in everything we do. Failure would lead to a lack of understanding of responsibilities, which could lead to a suboptimal, low productive workforce, operational inefficiencies, serious injury or loss of life for BTP or Authority staff, stakeholders or the public.</p>	<p>Wellbeing, Health and Safety strategy launched and communicated across the organisation</p> <p>Strong governance structure from divisional Health and Safety meetings up to Authority oversight at committees</p> <p>Data collection and benchmarking to identify trends and inform decision-making</p> <p>Revised Occupational Health structure</p> <p>Implementation of the 'Oscar Kilo' support programme, a national initiative in policing</p>	<p>↓</p> <p>Wellbeing is a key thread in the new strategy and informs decision-making. A new Health & Safety software solution will allow for greater recording and analysis of 'near miss' incidents and information to enable the organisation to look after its staff.</p>

<p>Failure to enter into or manage all contracts for service with 3rd parties appropriately. This could lead to BTP or the Authority not providing the required service, encountering operational impacts that hinder the work of BTP or being the subject of contractual disputes – all of which would have financial and reputational impacts.</p>	<p>Working Group and Board set up to review all aspects related to enhanced policing services including contracts, amendments and operational performance</p> <p>Quarterly assurance provided on all enhanced policing agreements</p> <p>Review of key core policing agreements</p>	<p></p> <p>This risk is expected to remain stable now BTP and the Authority are jointly providing robust oversight over contracts and service delivery.</p>
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Statement of information risk

BTPA must maintain the confidentiality, integrity and availability of its information to operate effectively, efficiently and securely. Compliance is required with the Cabinet Office controls, Home Office and National Cyber Security Centre requirements, UK Data Protection legislation and all pertinent law and guidance for the policing community.

To discharge these responsibilities, BTPA must have policies and control measures in place to ensure that access to information is compliant, correctly managed and safeguarded throughout its life-cycle. There is a governance structure in place to ensure that all statutory responsibilities have responsible owners, and a dedicated team who assess information risks and mitigate these to an acceptable level.

All key policies are up to date and issued. The Information Board (IB) and the Information Assurance Board (IAB) act as force-wide governance, compliance and assurance meetings, reporting into the BTP Audit, Risk, Inspection & Compliance Board (ARIC).

We continue to support key digital initiatives to ensure security and compliance, and to work with specialist units to maintain controls across the diverse areas of BTP. These initiatives contribute to the Force's strategic priorities of enabling agile working and investing in technology that helps reduce duplication of information, creates a self-service capability and pushes information to frontline officers.

Archiving of information is a key area of oversight for the Information Board. As a police force, BTP is actively looking at additional ways to digitise information management. Recent adoptions of new systems are helping the force to move away from the creation of physical records such as case files and CCTV discs. The scope of these systems is being explored to move records and information away from the physical to the digital. The Information Management function continues to strive for improvements in Data Quality in key systems supporting operational policing and decision-making.

Personal data related incidents

During 2021/2022 there were 32 (2020/21: 52) incidents involving personal data breaches which were assessed for threat, risk and harm to individuals. None of these required proactive reporting to the Information Commissioner (ICO) during this period (2020/21: 3) and no further ICO action has resulted to date. BTP continues to take a proactive approach to report within the prescribed notification period of 72 hours from being aware of a potential incident where required.

There were seven Data Protection Concern referrals received from the ICO in 2021/22 (2020/21: 6). None required substantive further action beyond communication of our position.

Assurance activities

Internal Audit

The Government Internal Audit Agency (GIAA) was engaged to conduct an annual plan of risk-based internal audits on behalf of BTPA.

There were seven internal audits in 2021/22 and one advisory engagement undertaken by GIAA. This compares to seven audits in 2020/21. Areas of audit this year were: Finance Period-end Reporting, Risk Management, Data Governance, Procurement, Estates, Payroll and Strategic Workforce Planning. The annual audit opinion remains a "moderate" assurance rating, meaning "some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control." Management welcomes the overall Internal Audit assurance rating and individual report findings, which support continued improvement in the BTP/A control environment.

Though the overall rating remains consistent with 2020/21, some areas received higher levels of assurance than others. Payroll controls had been strengthened since the last GIAA audit and the area of Procurement received a Substantial rating as it was found to be well managed with good oversight. Management agree that there are areas where improvements are required, particularly in Strategic Workforce Planning and Risk Management, where Limited assurance opinions were received.

The Internal Audit annual opinion highlighted themes from the audits whereby there is a need to undertake and deliver on strategic long-term planning, fully exploit data and continue to invest and manage change in technology. The theme of strengthened collaboration and joint working between BTPA and BTP, alongside an increased focus by management on identifying and tackling issues in an open fashion has continued during the year. GIAA noted the openness and proactivity of management in identifying and seeking support for areas requiring improvement. The efforts to strengthen management culture to increase accountability, ownership and openness should help reinforce the governance and the control framework.

There remains a firm commitment from management to address themes, findings and risks identified by Internal Audit. Risk management, particularly embedding through the organisation and using data, is one key area requiring focus, despite the increased maturity at the strategic risk level. Audit actions are tracked both at BTP's Audit, Risk, Inspection and Compliance Board and the Audit and Risk Assurance Committee. GIAA perform follow-up assurance work on actions deemed to be complete.

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Management Assurance Return

The Management Assurance Return (MAR) is submitted to the Department for Transport (DfT) each year to allow them to gain assurance on specific areas of governance and internal control. BTP and the Authority find it a valuable process to obtain assurance of key areas across the organisation. In assessing each functional area, other sources of assurance are reviewed and an assessment is performed over governance, control and risk management in each area. Evidence is independently scrutinised by BTP and the Authority. The MAR is a second line of assurance mechanism which is reviewed quarterly at the Audit and Risk Assurance Committee. Members review quarterly changes in ratings and so have real-time oversight of any emerging issues.

HMICFRS

During 2021/22, BTP was inspected in the first of three areas against Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) two-year PEEL (Police Efficiency, Effectiveness and Legitimacy) Inspection Programme and also participated in national thematic inspections.

The PEEL inspection programme will be delivered in three strands over two years:

Victim Service Assessment - the outcome from the perspective of those receiving the services	October 2021 - Complete
Operational Assessment - how well services are provided	May 2022
Organisational Assessment - how well the police force is run	September-November 2022

In October 2021, the BTP was inspected by HMICFRS on the first strand of the PEEL inspection programme which focussed on its response to the victim journey. The inspection covered the service BTP provides to victims of crime from initial contact through to the justice outcome and included an audit of BTP's compliance with the Home Office Counting Rules (HOCR) and National Crime Recording Standards (NCRS).

The BTP is also inspected as part of HMICFRS's national inspections. This year, BTP has been inspected as part of HMICFRS Counter Terrorism Rolling Inspection Programme on how well prepared the police service response is to a terrorist Chemical, Biological, Radiological, Nuclear and Explosives (CBRNE) incident. Overall, HMICFRS found that BTP performed well and had a comprehensive understanding of CBRNE.

BTP regularly monitors recommendations from its inspections. Completion of these is presented to the Force Executive Board each month and quarterly at the BTPA Audit & Risk Assurance Committee. BTP also review HMICFRS reports published on the inspection of other forces to identify any good practice and risks to ensure these are known and can be addressed as needed.

Other sources of Assurance

BTPA present an assurance map to the Audit and Risk Assurance Committee which outlines all the sources of assurance for each strategic risk, across the three lines of defence.

There are a number of third line of defence assurance mechanisms - audits and independent reviews - by regulatory bodies and peers. These cover a broad spectrum of areas such as custody through to information management. **This year BTP has been subject to two inspections by the Investigatory Powers Commissioner's Office (IPCO) in relation to its compliance with legislation in respect of its use and management of covert surveillance, covert human intelligence sources (CHIS) and property interference; and legislation relating to the Code of Practice governing the acquisition of Communications Data (CD). BTP demonstrated a good level of compliance in both inspections.**

In addition, there is a second line of defence compliance and inspection function within BTP which coordinates a programme of activity. Reviews are across a number of areas, from crime recording to driver standards; health and safety to the management of assets. The team attends BTP oversight boards and reports findings through the BTP governance structure up to the Audit and Risk Assurance Committee.

Board Effectiveness Evaluation

To be an effective board it is important that BTPA seeks continued improvement. Part of this is achieved through an annual Board Effectiveness Evaluation whereby feedback is sought from colleagues through questionnaires, along with meeting reviews which have been carried out through the year. Other mechanisms and best practice examples are also taken into consideration as part of the evaluation exercise.

Good progress has been made against the 2021 action plan which was approved in June 2021. Some key steps which have been taken include the introduction of monthly breakfast briefings which has increased exposure and offered education across a broader set of business areas. The reinstatement of the Chair's Forum has provided the opportunity to enhance strategic focus and management of committee agenda items. Additionally a People and Culture Committee has been established to dedicate greater oversight activity in this area. BTPA has also been specifically exploring the notion of effectiveness through a number of different workshops and ways of working, including with BTP in respect of how it jointly discharges its responsibilities.

This year's exercise continues to test progress made against the key themes which were identified during 2021. The findings which are starting to emerge strongly suggest that the Authority is meeting its statutory duties, whilst noting that there are areas that could be improved but these are known and are largely in development.

Information Technology

This year has seen a continuation of transformation initiatives, to harness opportunities from technology as well as managing risks. Digital Policing has been a key area of focus, as well as replacement of legacy devices to ensure that officers and staff have the technology required to enable them to work effectively. Resilience and stability have been enhanced through implementation of a dedicated Strategy. Work has progressed well in operational and tactical areas, with a wider strategic focus to follow. A significant portion of BTP's capital investment has been in technology. Other projects completed include:

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- Baskerville Office go-live including migration of First Contact Centre, plus full Axis House decommissioning.
- IT Health Check 2020 Completion. All Critical, High and Medium issues were fully completed.
- End User Compute ('EUC') Pilot + EUC Build deployment enabling the go-live of the core EUC programme
- Data-Hub Go-Live enabling easy access to basic reporting and processes, with workflow tracking
- Aggressive financial review of the Vodafone mobile phone contract to generate better value for BTP including cashable savings
- CCTV Network Migration project activation of new high-speed data circuits at Ebury Bridge improving reliability for CCTV operations with TOCs
- Service Desk performance improvements – resolution of open tickets as well as backdated issues, unassigned calls down to 200 from over 800
- Removal of legacy Samsung mobile (Circa 1400) from the BTP estate - all intake and transferee devices being delivered on time
- Cyber Security Strategy released

The department is now moving into having a more proactive focus, with the key strategic intention of enabling BTP's Force on the Move. The focus will be around 7 core areas as highlighted below:

1. **People:** To ensure the Technology employees are led, supported and able to deliver key objectives with a clear focus on valuing and developing our people
2. **Change:** To deliver 'A Force on the Move' projects and programmes that enable BTP's transition from legacy systems, infrastructure, and equipment to improved, up to date and accessible technology services.
3. **Service:** Accessible, responsive and user-focused services supported by practical guidance and transparent use of data to drive and demonstrate performance improvement and value for money.
4. **Security:** To ensure BTP is safe and secure at all times in relation to the threat posed from Cyber-attacks, with the mandated accreditations to operate as a National Police Force.
5. **Infrastructure:** To ensure all IT systems and applications are operating to business requirements around availability, resiliency and business continuity.
6. **Digital:** Digital solutions that empower collaboration, communication, connectivity, mobility and productivity.
7. **Interoperability:** To consider enrolling BTP in the National Enabling Programme for UK Police Forces, bringing about IT standardisation, capability and industry best-practices to inter-operate across policing.

BTP's annual Information Risk Assurance return to the Home Office, as well as other independent audits completed during the year, show progress across several core elements in relation to resilience and stability, IT risk management, Cyber Security and the IT business continuity capability, however there remain some areas of improvement. There is a Cyber Security risk register highlighting increased risk in this area, particularly due to agile working and threats from nation states. BTP recognises the reputational risk that could arise if a cyber security incident occurred and is committed to providing the necessary capital investment to strengthen the overall IT capability.

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There were four major outages during the year affecting IT operational services, related to BTP's legacy IT services, its network connectivity and the physical infrastructure datacentre environments. In addition, there were several continuous smaller outages in the year, the majority of which were attributable to aging network equipment, legacy software, and on-going network improvements or third party works. BTP is committed to addressing these issues to ensure outages are minimised going forward.

A strategic risk deep dive was performed in technology, to assess in detail the causes, effects and mitigations of the strategic risk. This noted all of the controls in place that have seen the residual risk reduce over the year, and the planned actions that will move BTP towards the target risk score. The Audit and Risk Assurance Committee sponsor this strategic risk and will monitor how BTP and the Authority manage this risk.

Legitimacy

Professional behaviour leads to legitimate policing, which is key to maintaining public trust and confidence in policing. BTP's Professional Standards Department is primarily responsible for upholding professionalism across the organisation. Given this is a strategic risk, there is regular oversight by management in BTP and across the Authority's committees. Members have received training on professionalism.

The risk is primarily managed through vetting of new and existing officers and staff, communications about what professional conduct is expected of all employees and investment in changing the culture, led by the Chief Constable. There are many avenues for employees to report concerns of inappropriate behaviour or misconduct. Conduct matters are investigated by the Professional Standards Department and in some cases, have led to gross misconduct findings. BTP uphold high standards of integrity and professionalism and actively demonstrate this commitment.

The Complaints Review Panel was adopted for the Complaints and Misconduct Regulations 2021. Fifteen cases have been evaluated by this group, comprising suitably trained Members and Executive staff. BTPA have sought to work with BTP to ensure reflective practice is implemented and learnings taken from complaints.

Oversight and analysis of use of powers is a key priority for the British Transport Police due to the impact such powers can have on local communities and the effect on public trust and confidence. BTP has a governance framework for the use of powers, including analysing data sets and creating community scrutiny structures to ensure that all BTP use of powers are effective, ethical and open to scrutiny. The use of these powers is now governed through a strategic board. These internal meetings are supported by Community Reference Groups, which act as a critical friend in alerting the Force to the risks, implications and local concerns regarding the use of powers.

Vetting Procedures

The vetting team was expanded in 2021/22 and worked towards ISO 9001 accreditation. We are pleased to say this was subsequently awarded on 28th April 2022, such that BTP has one of only two police vetting teams nationally who are accredited to ISO 9001. This accreditation demonstrates that the team have been working to a 'quality management system' and regularly review systems and processes to maintain high standards.

Financial Controls

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BTPA receive budgetary cover from the Department for Transport and the Accounting Officer is required to remain within delegated spend limits. In turn, much of this budget is delegated from BTPA to BTP to allow for operational independence in spending these funds. BTP have delegated budget holders throughout the organisation and have this year issued delegation letters to each, outlining responsibilities for budget holders and providing regular training to ensure these are understood.

Management of Outside Interests

Contained within the Directors' report are details of Members' roles outside of BTPA. A register of interests is held at BTPA for Executive staff and at BTP for its management. In addition, a Business Interest Register is held for all staff to report secondary employment (including voluntary) and colleagues involved in procurement must declare any interests as part of that process.

Gifts and hospitality are recorded, monitored and approval sought from the relevant authorising person for any item registered. Regular reminders are communicated with employees.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control and compliance within the Corporate Code of Governance for BTPA. My review is informed by an annual Governance & Assurance meeting with the Chief Finance Officer, Chief Constable as Additional Accounting Officer, and her Chief Officer Group colleagues, the work of internal audit, the management assurance reporting and by external audit feedback in their management letter and other reports. Further, I receive guidance from the Audit & Risk Assurance Committee which in turn is informed by their oversight of all assurance mechanisms, internal controls and risk management.

Having reviewed the evidence provided, I am satisfied, in line with my responsibilities set out above, that BTPA and BTP have implemented a system of internal control across the whole period of 2021/22 and up to the approval date of the Annual Report.

Hugh Ind
Accounting Officer
Date xx July 2022

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REMUNERATION REPORT

The appointment of the Members of the Authority

The constitution of BTPA is set by the Railways and Transport Safety Act 2003 which determines the necessary range of knowledge and experience of Members.

Members of BTPA are appointed by the Secretary of State for Transport, with the intention that BTPA is representative of the community it serves and is informed of the views and interests of these groups.

Remuneration policy and procedures

The remuneration policy for Authority Members is determined by the Department for Transport.

The remuneration policy for senior officers of BTPA and the BTP Chief Officer Group is determined by the Appointments and Remuneration Committee in accordance with the findings of the Senior Salaries Review Body.

BTPA's general remuneration policy is determined by:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- the regional or local variations in labour markets and their effects on the recruitment and retention of staff;
- the specific factors relating to policies and guidelines from the Police Remuneration Review Body which influences the remuneration arrangements for both superintending and federated ranks; and
- for police support staff, collective bargaining with recognised employee associations determines annual settlements.

The Members' salaries and allowances are set by the Secretary of State for Transport following consultation with BTPA. Members receive pensionable allowances and are entitled to claim expenses for travel, accommodation and subsistence when on Authority business.

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Terms of appointment

Terms of appointments of Authority Members are disclosed within the Directors Report.

Authority Officers

Authority Officers	Commencement of contract	Term expiry date	Notice period required months
Hugh Ind, Chief Executive	03/06/2019	Permanent appointment	3
Sarah McGarel, Chief Financial Officer, Treasurer and Deputy Chief Executive	09/04/2018	Permanent appointment	3

BTP Chief Officer Group

	Commencement of contract	Term expiry date	Notice period required months
Lucy D'Orsi, Chief Constable	22/03/2021	19/01/2025	6
Alistair Sutherland, Deputy Chief Constable	08/11/2021	09/11/2024	3

Adrian Hanstock, Deputy Chief Constable	14/10/2014	07/11/21	3
Sean O'Callaghan, Assistant Chief Constable	25/06/2018	Permanent appointment	3
Simon Downey, Director of Strategy and Change	22/04/2014	11/03/2022	3
Tracey Martin, Director of Finance and Commercial Services	30/7/2018	Permanent appointment	3
Rachael Etebar, Director of People and Culture	13/08/2018	Permanent appointment	3
Charlie Doyle, Assistant Chief Constable	20/09/2018	Permanent appointment	3

Remuneration of Authority Members (Audited)

	2021/22				2020/21			
	Salary	Benefits in kind (to nearest £100)	Pension Benefits	Total	Salary	Benefits in kind (to nearest £100)	Pension Benefits	Total
Members	£'000	£	£'000	£'000	£'000	£	£0	£'000
Ron Barclay - Smith	30-35	-	-	30-35	30-35	-	-	30-35
Dominic Booth ¹	5-10	-	-	5-10	15-20	-	-	15-20
William Matthews	15-20	-	-	15-20	15-20	-	-	15-20
Andrew Pollins ²	10-15	-	-	10-15	15-20	-	-	15-20
Mark Phillips ³	0	-	-	0	15-20	-	-	15-20
Stella Thomas ⁴	10-15	-	-	10-15	15-20	-	-	15-20
Beverley Shears	15-20	-	-	15-20	15-20	-	-	15-20
William Gallagher	15-20	-	-	15-20	15-20	-	-	15-20
Martin Richards	15-20	-	-	15-20	15-20	-	-	15-20
Graham Evans	15-20	-	-	15-20	15-20	-	-	15-20
Kenna Kintrea	15-20	-	-	15-20	15-20	-	-	15-20

¹ Dominic Booth left on 31/08/2021, full time salary normally £15,000-£20,000 annually

² Andrew Pollins left on 31/12/2021, full time salary normally £15,000-£20,000 annually

³ Mark Phillips performed the role of Deputy Chair in 2019/20, the full time equivalent for this role is £25,000 - £30,000. His membership term ended on 5th November 2020.

⁴ Stella Thomas left on 31/12/2021, the full time equivalent salary for this role is £15,000 - £20,000

Andrew Cooper ⁵	25-30	-	-	25-30	20-25	-	-	20-25
Sir Craig Mackey	15-20	-	-	15-20	15-20	-	-	15-20
Mike Gallop ⁶	0-5	-	-	0-5	-	-	-	-
Emir Feisal ⁷	0-5	-	-	0-5	-	-	-	-
Nick Hawkins ⁸	0-5	-	-	0-5	-	-	-	-
Fiona Brunskill ⁹	0-5	-	-	0-5	-	-	-	-
Stewart Jackson ¹⁰	0-5	-	-	0-5	-	-	-	-

⁵ Andrew Cooper performed the role of Deputy Chair in 2021/22, the full time equivalent for this role is £25,000 - £30,000.

⁶ Mike Gallop joined on 23/02/22, full time salary normally £10,000-£15,000 annually

⁷ Emir Feisal joined on 28/02/2022, full time salary normally £10,000-£15,000 annually

⁸ Nick Hawkins joined on 23/02/2022, full time salary normally £10,000-£15,000 annually

⁹ Fiona Brunskill joined on 23/02/2022, full time salary normally £10,000-£15,000 annually

¹⁰ Stewart Jackson joined on 28/02/2022, full time salary normally £10,000-£15,000 annually

Remuneration of Authority Officers and Chief Officer Group (Audited):

	2021/22					2020/21				
	Salary	Compensation Payments	Benefits in kind (to nearest £100)	Pension benefits	Total	Salary	Compensation Payments	Benefits in kind (to nearest £100)	Pension benefits	Total
	£'000	£'000	£	£'000	£'000	£'000	£'000	£	£'000	£'000
Authority Officers										
Hugh Ind	150-155	-	-	33	185-190	150-155	-	-	34	185-190
Sarah McGarel	125-130	-	2,000	29	155-160	125-130	-	2,200	37	165-170
Chief Officer Group										
Lucy D'Orsi ¹¹	215-220	-	200	-	215-220	5-10	-	-	-	5-10
Paul Crowther CBE ¹²	-	-	-	-	-	-	14	6,200	-	210-215
Adrian Hanstock ¹³	145-150	-	1,700	X	X	165-170	-	3,500	44	215-220
Alistair Sutherland ¹⁴	45-50	-	200	-	45-50	-	-	-	-	-
Sean O'Callaghan	130-135	-	200	31	165-170	130-135	-	200	38	165-170

¹¹ Lucy D'Orsi was appointed as Chief Constable for a term of four years, with the initial period being served as a secondment from the Metropolitan Police Service between 22 March 2021 and 19 January 2022. The costs for this secondment in 2021/22 were £190,000 – £195,000 which includes coverage of her salary, allowances and pension contributions made directly by the Metropolitan Police comprising full time equivalent salary of £155,000 – £160,000 and allowances of £15,000 – £20,000. Her pension arrangements remained with the Metropolitan Police for the period of the secondment. Upon employment by BTPA on 20 January 2022 salary received till 31 March 2022 was £20-£25k, full time equivalent salary is £170 - £175k.

¹² Paul Crowther's term as Chief Constable ended on 7th February 2021. The full year equivalent is £210,000 - £215,000.

¹³ Adrian Hanstock left BTP on 31/12/2021, full time equivalent annual salary is £165,000 - £170,000

¹⁴ Alistair Sutherland joined BTP on 08/11/2021, full time equivalent salary would be £140,000 - £150,000

Simon Downey ¹⁵	150-155	-	200	X	150-155	145-150	-	200	39	185-190
Tracey Martin	130-135	-	200	30	160-165	130-135	-	200	33	165-170
Rachael Etebar	135-140	-	200	33	179-175	135-140	-	-	34	170-175
Charlie Doyle	130-135	-	200	-	130-135	130-135	-	200	-	130-135
Allan Gregory	100-105 ¹⁶	-	100	-	100-105	90-95	-	-	-	90-95

¹⁵ Simon Downey left BTP on 11 March 2022. Full time equivalent salary was £150,000 - £155,000.

¹⁶ Allan Gregory's temporary role as Assistant Chief Constable commenced on 2 August 2021 and is due to end on 31 December 2022. He received a temporary allowance for these additional duties. Full time equivalent annual salary without uplift is £95,000-£100,000.

Salary

Salary includes reference salary, overtime, London weighting and/or London allowances, reserved rights to housing allowance and any other allowance to the extent that it is subject to UK taxation. It does not include amounts that are a reimbursement of expenses directly incurred in the performance of an individual's duties.

Bonus payments

BTPA does not ordinarily operate a bonus scheme.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. The benefits in kind received include healthcare, use of vehicle and other travel benefits.

Performance pay

A performance management regime is in place, where objectives for the Chief Officer Group are agreed by BTPA. The performance development reviews are initiated at the year-end by the Chief Constable for the Chief Officer Group and the Chief Executive for the BTPA's Executive. The BTPA Chair assesses the Chief Constable and BTPA Chief Executive Officer against defined objectives. These are assessed by the Police Authority's Appointments and Remuneration Committee. The only opportunity for performance related pay progression is for Assistant Chief Constables (and civilian equivalents), who progress through a salary scale when their performance is assessed as satisfactory or exceptional. The Chief and Deputy Chief Constables receive a salary on a set rate.

Fair Pay Disclosures (Audited)

	2021/22	2020/21
	£'000	£'000
Band of highest paid senior officer (including bonus and benefits in kind)	£215-220k	£220-225k
Median total remuneration	£39,878	£38,936
Ratio	5.45	5.71

The banded annualised remuneration of the highest paid senior officer in the 2021/22 financial year was £215k-£220k (2020/21 £220k-£225k). This is Chief Constable Lucy D'Orsi. This was 5.45 times (2020/21 5.71 times) the median remuneration of the workforce, which was £39,878.

In 2021/22 no employees (2020/21: no employees) received remuneration in excess of the highest paid Senior Officer.

The remuneration of employees ranged from £15,000 to £220,200 (2020/21: £17,332 to £213,400). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Number of high earners (audited)

The number of employees earning over £80,000 over the financial year ending 31 March 2022 is disaggregated in the below table:

Earnings range*	Number of employees**
£80,000-£84,999	12
£85,000-£89,999	14
£90,000-£94,999	11
£95,000-£99,999	9

£100,000-£104,999	2
£105,000-£109,999	2
£110,000-£114,999	0
£115,000-£119,999	0
£120,000-£124,999	0
£125,000-£129,999	1
£130,000-£134,999	5
£135,000-£139,999	0
£140,000-£144,999	0
£145,000-£149,999	1
£150,000-£154,999	1
	119

*Earnings for this table is defined as basic salary, allowances and performance related pay excluding tax and pensions earned for the year ending 31 March 2022.

**Staff numbers are actual, not full-time equivalents, so a part-time member of staff counts as 1.

Pension benefits

Railways pension scheme – Authority and BTP support staff

Pension benefits are provided for Authority and BTP support staff through the Railways Pension Scheme British Transport Police Shared Cost Section. This is a registered pension scheme and intended to be a fully funded scheme which provides benefits on a "final salary" at a normal retirement age of 60. Benefits accrue at the rate of 1/60th of final average pay (less 1/40th of the final average basic state pension) for each year of pensionable service. In addition, a lump sum equivalent to 1/40th of final average pay for each year of service is payable on retirement. Members currently pay contributions of 10.06% of pensionable pay (less 1.5 times the basic state pension). Pensions in payment and deferment are increased in line with Orders made under the Pensions (Increase) Act 1971.

On death, pensions are payable to the surviving spouse at the rate of half the member's pension. On death in service the scheme pays a lump sum death benefit of four times final average pay and also provides a service enhancement on computing the spouse's pension, which depends on length of service.

Medical retirement is possible in the event of serious ill-health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow or widower pensions.

British Transport Police Force Superannuation Fund – Police Officers

Pension benefits are provided for Police Officers through the British Transport Police Force Superannuation Fund. This is a registered pension scheme and intended to be a fully funded scheme which provides benefits on a "defined benefit" basis. There are three benefit structures in place for members, which vary according to whether they joined the Fund before 1 April 2007, between 1 April 2007 and 31 March 2015, or after 31 March 2015. Prior to 1 April 2015, members earned benefits on a "final salary" structure, whilst joiners from 1 April 2015 are able to join a Career Average Revalued Earnings ("CARE") benefit structure. For all benefit structures, BTPA pays 60% of the total annual cost of accruing new benefits, with members paying the remaining 40%.

For members who joined before 1 April 2007, benefits can be taken unreduced from age 55 (except where members have a 'protected' pension age). Benefits accrue at the rate of 1/45th of final average salary (less 1/30th of final average basic state pension) for each year of beneficial membership. In addition, a lump sum equivalent to 1/30th of

final average salary for each year of beneficial membership is payable on retirement. Members currently pay contributions of 16% of pensionable earnings (less 1.5 times the basic State Pension). Pensions in payment and deferment are increased in line with orders made under the Pensions (Increase) Act 1971.

For Fund members who joined between 1 April 2007 and 31 March 2015, benefits can be taken unreduced from age 55 (except where members have a 'protected' pension age) if retiring from active service and age 65 if retiring having left BTPA. Benefits accrue at the rate of 1/70th of final average salary for each year of service. In addition, a lump sum equivalent to 4/70th of final average salary for each year of service is payable on retirement. Members currently pay contributions of 12% of pensionable salary. Pensions in payment and deferment are increased in line with orders made under the Pensions (Increase) Act 1971.

For members who joined from 1 April 2015 the normal retirement age from active service is 60 and for retirement, having left BTPA's employment, it is 65. Benefits accrue at the rate of 1/55.3 of pensionable salary for each year of active service, with a revaluation rate for active members based on Consumer Price Inflation plus 1.25% per annum. No separate cash benefit accrues, although members have the option to exchange some pension for cash (in accordance with HMRC rules), on terms agreed between the Trustee and BTPA from time to time. Members currently pay 10% of pensionable salary. Pensions in payment and deferment are increased in line with orders made under the Pensions (Increase) Act 1971.

On death, pensions are payable to the surviving spouse or eligible dependant at the rate of half the member's pension. Pensions are also available for members' children. Survivors' pensions may not be payable in respect of members who joined after 1 April 2007 if they have less than two years' service. On death in service the Fund pays a lump sum death benefit of four times pensionable salary and also provides a service enhancement on computing the spouse's pension, which depends on length of service.

Medical retirement is possible in the event of incapacity. In this case, pensions are brought into payment immediately without actuarial reduction. If the member is unable to work in any capacity, (not only as a Police Officer) they may be granted an enhanced pension at the Trustees' discretion.

Cash equivalent transfer value

A Cash Equivalent Transfer Value ("CETV") is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

CETVs are calculated by the Trustee in line with legislation and actuarial advice.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2003/04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to another pension scheme.

The increase in CETV effectively funded by the employer is shown. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) utilising commonly used standard market valuation factors for the start and end of the year.

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Pension benefits (Audited)

Officials	Accrued values at pension age as at 31/03/22		Real increase values at pension age		CETV at 31/03/21	CETV at 31/03/22	Real increase in CETV
	Pension	Lump sum	Pension	Lump sum			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Authority Members							
Authority Members are not eligible to join the scheme.							
Authority officers							
Hugh Ind	5-10	5-10	0-2.5	0-2.5	74	118	45
Sarah McGarel	5-10	5-10	0-2.5	0-2.5	70	96	26
Chief Officer Group							
Sean O'Callaghan	5-10	5-10	0-2.5	0-2.5	94	135	41
Rachael Etebar	5-10	5-10	0-2.5	0-2.5	115	165	50
Tracey Martin	5-10	5-10	0-2.5	0-2.5	90	128	38
Adrian Hanstock	Retired						
Simon Downey	Retired						
Paul Crowther	Opted out of scheme						
Charlie Doyle	Not a member of the scheme.						
Allan Gregory	???						

Staff report

Total average number of persons employed

	2021/22	2020/21 (Restated)
Permanently employed staff*	4,797	4,791
Temporary Staff**	116	120
Special Constables***	293	285
Total	5,205	5,196

* Permanently employed staff defined as staff with a permanent (UK) employment contract.

** Staff and volunteers engaged on a temporary basis to meet the objectives of the entity.

*** Special Constables have a contract with BTP that slightly differs from that of other employees, so have been disclosed separately

Total staff costs consist of (Audited):

	2021/22			2020/21
	Permanently employed staff	Other staff	TOTAL	TOTAL (£'000)
	£'000	£'000	£'000	
Salaries and wages	208,966	1,105	210,071	210,896
Social security costs	20,357	-	20,357	20,157
Other pension costs	113,826	-	113,826	69,145
Sub-total	343,149	1,105	344,254	300,198
Less recoveries in respect of outward secondments	(1,031)	-	(1,031)	(1,028)
Total net costs	342,118	1,105	343,222	299,170

Total expenditure on consultancy for 2021/22 is £845,518 (£826,857 in 2020/21) and total expenditure on temporary staff is £1,104,637 for 2021/22 (£1,087,586 in 2020/21)

Reporting of severance payments (Audited)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
<£10,000	11	21	2	1	13	22
£10,000-£24,999	3	7	10	6	13	13
£25,000-£49,999	3	3	5	3	8	6
£50,000-£99,999	1	-	-	-	-	-
£100,000-£149,999	-	-	-	-	-	-
£150,000-£199,999	-	-	-	-	-	-
Total number of exit packages	18	31	17	10	34	41
Total value of packages (£'000)	262	316	372	222	634	538

There were 18 compulsory redundancies amounting to £262k in 2021/22 (31 in 2020/21 amounting to £316k).
There was a total of 17 other departures in 2021/22 amounting to £372k (10 in 2020/21 amounting to £222k).

Commented [ML4]:

Government bodies should continue to follow existing relevant guidance on reporting exit payments and Special Severance Payments. Employers are required to disclose in their annual accounts information about all exit payments paid during the financial year. This disclosure includes details about the number of exit payments paid in bands (£0-£25,000; £25,001-£50,000; £50,001-£100,000; £100,001-£150,000; and £150,000+). Additionally, public sector authorities should also publish details of all Special Severance Payments in their annual accounts. At the end of the financial year, the responsible authority should publish a breakdown of:

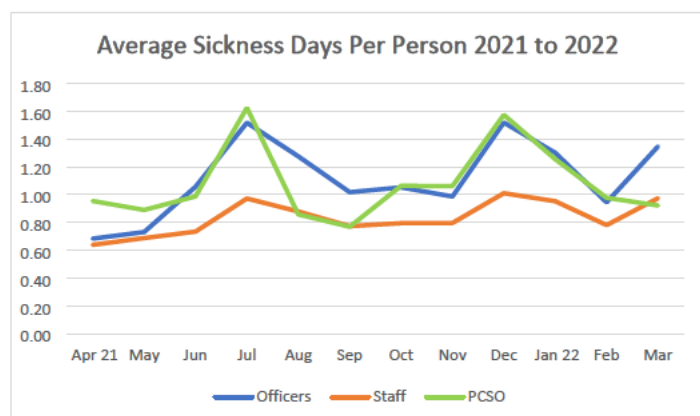
- The number of Special Severance Payments made by the responsible authority in the previous financial year;
- The total amount paid out, and
- The maximum (highest), minimum (lowest) and median value of all payments made.

Employee composition (Audited)

Number of persons of each gender who were employees of the entity as at 31 March 2022.

	2021/22			2020/21		
	Male	Female	Total	Male	Female	Total
Authority Members	11	3	14	7	3	10
Authority Officers and Strategic Command Team	5	4	9	5	4	9
Remaining Employees	3,562	1,613	5,175	3,615	1,584	5,199
Total	3,578	1,621	5,199	3,629	1,591	5,220

Sickness absences (Audited)



For 2021/2022 BTP averaged 12.40 (20/21: 14.90) sick duty days per person.

Sickness and attendance management remains a key focus for all, with a view to support employees' wellbeing and maximise attendance at work.

Trade Union Facility Time

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017 (Statutory Instrument 328) British Transport Police had 17 full time equivalent members of staff who were union officials during the period. Time spent on union activities equated to 100% of the total working time for one individual, and 1%-50% for the remaining 16, 0.02047% of BTP's total pay bill of £207,836k is spent on facility time. A total of 0.72% paid leave was given for trade union activities for which there was no statutory right for paid leave. This equates to a pay value of £4k.

Off-Payroll Tables

A robust governance process is in place to challenge and control the use of off-payroll engagements and ensure compliance. All engagements were considered as either in scope or not subject to the legislation. For those not subject to the legislation they were engaged via umbrella companies or on the payroll of an organisation in the supply chain. Two engagements were reassessed for consistency and compliance without resulting in a change to its initial status.

Highly paid off-payroll worker engagements as at 31 March 2022, earning £245 per day or greater.

	2021/22
Number (No.) of existing engagements as of 31 March 2022	8
Of which, no. that existed:	
less than 1 year at the reporting date	7
between 1 and 2 years at the reporting date	1
between 2 and 3 years at the reporting date	0
between 3 and 4 years at the reporting date	0
more than 4 years at the reporting date	0

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2022, earning £245 per day or greater

	2021/22
No. of temporary off-payroll workers engaged during the year ended 31 March 2022	18
Not subject to off-payroll legislation	7
Subject to off-payroll legislation and determined as in-scope of IR35	11
Subject to off-payroll legislation and determined as out-of-scope of IR35x	0
No. of engagements reassessed for compliance or assurance purposes during the year	2
Of which: No. of engagements that saw a change to IR35 status following review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022

	2021/22
Total no. of individuals who have been deemed 'board members', and/or, senior officials with significant financial responsibility', during the financial year. This figure includes both on-payroll and off-payroll engagements.	10
No. of off-Payroll engagements of board members, and/or, senior officials with significant financial responsibility during the financial year	0

Engagement with employees

The following staff associations are recognised by BTP:

- British Transport Police Federation
- Superintendents' Association
- Transport Salaried Staff Association.

The following support groups operate in BTP:

- Ability Network (Disability Support)
- Association of Muslim Police
- Christian Police Association
- Female Police Association
- Gypsy Roma Traveller Police Association
- Jewish Police Association
- LGBT+ Support Network (Lesbian, Gay, Bisexual and Transgender Support)
- National Police Autism Association
- Police Pagan Association
- Support Association for Minority Ethnic staff

Disability management

The British Transport Police enforces the Guaranteed Interview Scheme for disabled applicants, both internal and external, which will guarantee them an interview providing that the applicant meets the minimum criteria for the job for which they are applying. BTP also has a process in place to facilitate consultation with the Occupational Health Department and the Head of Inclusion and Diversity to ensure that all appropriate reasonable adjustments, including the use of adaptive software, alternative and/or more accessible environments and flexible or agile working arrangements are considered on a case-by-case basis.

Hugh Ind

Accounting Officer

Date xx July 2020

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PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

Regularity of expenditure:

Losses and Special payments (audited)

	2021/22	2020/2021
Total number of losses and special payments	198	165
Total value of losses and special payments	£ 1,407,181	£1,765,330
Losses statement		
Number of losses	51	34
Value of losses	£ 124,604	£ 758,966
Special payments statement		
Number of special payments	147	131
Value of special payments	£ 1,282,578	£1,006,364

Losses:

There are no individual losses in excess of £300,000

Special payments

There have been a number of civil service and other compensation schemes which have been disclosed in the remuneration report. A total of £868,271 (£827,657 for 2020/21) was paid to settle legal claims from former employees and the public. There was no individual payment in excess of £300,000.

There were a number of payments to HMRC in relation to tax/NI due for settled Allard Ors claims (totalling £408,306).

There was no individual payment in excess of £300,000.

DRAFT

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the British Transport Police Fund for the year ended 31 March 2021 under the Railways and Transport Safety Act 2003. The financial statements comprise: the Statements of Comprehensive Income, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of British Transport Police Fund's affairs as at 31 March 2021 and of net deficit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Railways and Transport Safety Act 2003 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the British Transport Police Fund in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the British Transport Police Fund's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the British Transport Police Fund have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the British Transport Police Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Responsibilities of BTPA and the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, BTPA and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Railways and Transport Safety Act 2003.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of British Transport Police Fund's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude on the appropriateness of the British Transport Police Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the British Transport Police Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause British Transport Police Fund to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain sufficient evidence to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Other Information

BTPA and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Railways and Transport Safety Act 2003;
- in the light of the knowledge and understanding of the British Transport Police Fund and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Gareth Davies

Date 15 July 2021

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2022

	Notes	31 March 2022 £'000	31 March 2021 £'000
Income			
Police Service Agreement	6	234,228	230,052
Other Income	6	96,895	89,786
		331,123	319,838
Expenditure			
Staff costs	7	(343,223)	(299,170)
Depreciation and amortisation	8	(18,162)	(18,773)
Other expenditure	8	(58,864)	(55,002)
		(420,249)	(372,945)
Operating deficit		(89,126)	(53,107)
Net interest receivable		3	51
Net interest payable for pension schemes	23	(20,030)	(13,090)
Finance expense	8	(734)	(476)
Gain on modification of lease		4	
Net deficit for the financial year		(109,883)	(66,622)
Other comprehensive income			
Items that will not be reclassified:			
Net gain/(loss) on revaluation of non-current assets	22	3,534	(42)
Actuarial gains/(losses) on defined benefit pension schemes	22	233,190	(403,309)
		236,724	(403,351)
Total comprehensive surplus/(deficit) for the year ended 31 March 2022		126,841	(469,973)

Any net deficit or surplus for the relevant financial year is transferred to reserves. Movements in reserves are set out in note 22.

All operations are classed as continuing; there were no material acquisitions or disposals during the year.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Notes	31 March 2022 £'000	£'000	31 March 2021 £'000	£'000
Non-current assets					
Property, plant and equipment	9	87,417		64,169	
Intangible assets	10	2,409		3,521	
Total non-current assets			89,826		67,690
Current assets					
Inventories	12	375		67	
Trade and other receivables	13	10,517		21,284	
Cash and cash equivalents	14	53,331		36,571	
Total current assets			64,223		57,922
Total assets			154,049		125,612
Current liabilities					
Trade and other payables	15	(55,194)		(51,818)	
Provisions for liabilities and charges	16	(7,352)		(6,376)	
Total current liabilities			(62,546)		(58,194)
Non-current assets plus net current assets			91,503		67,418
Non-current liabilities					
Pension liabilities	23	(912,506)		(1,039,126)	
Other payables	15	(25,510)		(15,736)	
Total non-current liabilities			(938,016)		(1,054,862)
Assets less liabilities			(846,513)		(987,444)
Taxpayers' net (deficit)					
Income and expenditure reserve	22	57,240		46,463	
Revaluation reserve	22	8,753		5,219	
Pension reserve	22,23	(912,506)		(1,039,126)	
			(846,513)		(987,444)
			(846,513)		(987,444)

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STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

For the year ended 31st March 2022

30 January 2020

	Notes	Income and expenditure reserve £'000	Revaluation reserve £'000	Pension reserve £'000	Total reserves £'000
Balance at 01 April 2020		49,479	5,261	(579,327)	(524,587)
Changes in taxpayers' equity 2020/21					
IFRS 16 adjustments after transition	22	(315)	-	-	(315)
Net gain/(loss) on revaluation of property, plant and equipment and intangible assets	9,10,22	-	544	-	544
Actuarial Gains/(Losses)	22	-	-	(403,309)	(403,309)
Net deficit for the year	22	(66,622)	-	-	(66,622)
Reclassification	22	338	-	-	338
Transfer to/from Reserves	23	57,076	(586)	(56,490)	-
DfT Grant funding recognised		6,507	-	-	6,507
Balance at 31 March 2021		46,463	5,219	(1,039,126)	(987,444)
Changes in taxpayers' equity 2021/22					
Net gain/(loss) on revaluation of property, plant and equipment and intangible assets	9,10,22	-	4,094	-	4,094
Actuarial Gains/(Losses)	22	-	-	233,190	233,190
Net deficit for the year	22	(109,883)	-	-	(109,883)
Reclassification	22	381	-	-	381
Transfer to/from Reserves	23	107,130	(560)	(106,570)	-
DfT Grant funding recognised	22	13,149	-	-	13,149
Balance at 31 March 2022		57,240	8,753	(912,506)	(846,513)

STATEMENT OF CASH FLOWS

For the year ended 31st March 2022

10 January 1900

	Notes	P14 2021/22		2020/21	
		£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net deficit for the financial year		(109,883)		(66,622)	
Less non-cash adjustments					
(Profit)/Loss on disposal of non-current assets	8	(132)		(146)	
(Increase)/Decrease in trade and other receivables	13	10,767		(1,807)	
(Increase)/Decrease in inventories	12	(308)		(19)	
Increase/(Decrease) in trade and other payables falling due within one year	15	6,838		8,513	
Increase/(Decrease) in trade and other payables due after more than one year	15	9,774		(1,174)	
Increase/(Decrease) in provisions	16	976		(904)	
Depreciation of property, plant and equipment	9	12,325		11,316	
Depreciation of right-of-use assets	9	3,991		4,905	
Amortisation of intangible assets	10	1,846		2,552	
IAS 19 Pension adjustment	23	86,540		43,400	
Net interest payable for pension schemes	23	20,030		13,090	
Finance expense	8	734		476	
Derecognition of assets under construction	9,10	75		116	
Derecognition of right of use asset	9	326			
Movements in seized cash going to reserves		380			
Less cash item classified elsewhere within statement of cash flows		(3)		(51)	
Net cash flow from operating activities		44,276		13,645	
Cash flows from investing activities					
Purchase of property, plant and equipment	9	(36,290)		(17,683)	
Purchase of intangible assets	10	(509)		(428)	
Proceeds from disposal of assets		324		288	
Interest paid/(received)		-		-	
Net cash flow from investing activities		(36,475)		(17,823)	
Cash flows from financing activities					
Capital repayment of right-of-use liabilities	19	(4,193)		(4,902)	
Grant funding received		13,149		6,507	
Interest received		3		51	
Net cash flows from financing activities		8,959		1,656	
Net increase/(decrease) in cash and cash equivalents in the period		16,760		(2,522)	
Cash and cash equivalents at the beginning of the period		36,571		39,093	
Cash and cash equivalents at the end of the period		53,331		36,571	

Notes to the accounts

1 General

The accounts represent single entity accounts for the British Transport Police Fund, which is the statutory entity representing in financial terms both the BTP Authority and Force. No entities over which the British Transport Police Fund exercises control have been identified and therefore no consolidated accounts have been prepared.

The presentational currency for the accounts is the pound sterling. Except where otherwise stated amounts are rounded to the nearest £1,000.

2 Statement of significant accounting policies

These financial statements have been prepared in accordance with the 2021/22 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the British Transport Police Authority (the Authority) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Authority for 2021/22 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

2.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of non-current assets.

2.2 Going concern

These accounts have been prepared on a going concern basis because BTPA continues to be the sole provider of policing services on the rail network under the Railways and Transport Safety Act 2003.

Negative equity arises because of the Authority's substantial net liabilities relating to defined benefit pension schemes. As disclosed in Note 23 contributions to the schemes are based on periodic actuarial valuations, including contributions for any past service deficit. The income receivable under Public Service Agreements and from Transport for London (TfL) is calculated to include such contributions. The Authority has therefore determined that it can continue to meet its liabilities as they fall due and it is appropriate to prepare its accounts on a going concern basis.

2.3 New Accounting standards issued

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard and is applicable for accounting periods ending on or after 1 January 2023. Management have performed a preliminary review of this standard and expect its impact on the Authority to not be material since no insurance contracts are issued by this entity.

2.4 Property, plant and equipment

Property, plant and equipment includes improvements and capital works to leasehold buildings, plant and machinery, right-of-use assets, Information technology (IT) equipment, fixtures and fittings, and road vehicles required for the on-going operations of the Force. All expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised, subject to a minimum monetary limit of £1,000, on an accruals basis in accordance with IAS 16 - Property, plant and equipment. These non-current assets are recognised initially at cost, which comprises purchase price (including irrecoverable Value Added Tax (VAT) and any costs of bringing assets to the location and condition necessary for them to be capable of operating in the manner intended. Following recognition, PPE is revalued and restated to current value each year using the relevant modified historical costing indices from the Office for National Statistics (ONS).

Internal staff costs that can be attributed directly to the construction of an asset, including capital renewal schemes, are capitalised. This includes staff on the Authority's payroll specifically working on capital projects.

The Authority operates a grouping policy on the purchase of property, plant and equipment. This means that when several items of a capital nature are purchased together and the combined cost is greater than £1,000, they are capitalised even if the individual items have a cost of less than £1,000.

Expenditure falling below these values is charged as an expense in the statement of comprehensive income (SoCI).

The Authority derecognises assets with nil net book value when they are withdrawn from use and no future economic benefits are expected from their disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and is recognised in SoCI.

2.5 Assets under construction

Assets under construction reflects capital projects still in progress and not yet available for use and is measured to historical cost and subject to an annual impairment review.

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2.6 Depreciation

Depreciation is provided on a straight-line basis over periods representing the estimated useful lives of assets. Motor vehicles start to be depreciated once the fleet management company have confirmed they are in use. All other assets start to be depreciated the month after they are deemed to be available for use.

The lives used for the major categories of assets are:

-	Leasehold improvements	Number of years remaining on the lease at time of purchase
-	Plant and machinery	5 years
-	Right-of-use assets	Number of years remaining on the lease
-	Fixtures and fittings	5 years
-	Motor Vehicles	5 years
-	IT Equipment	4 - 5 years

No depreciation is provided on assets under construction.

2.7 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are capitalised if it is probable that the expected future benefits attributable to them will flow to the Authority and if their cost can be measured reliably. Computer software and licences, the wide area network project and expenditure on website development are capitalised as intangible fixed assets where expenditure of £1,000 or more is incurred.

The Authority operates a grouping policy on the purchase of intangible assets. This means that when several items of a capital nature are purchased together and the combined cost is greater than £1,000, they are capitalised even if the individual items have a cost of less than £1,000.

Internally developed intangible assets, such as application software or databases, expenditure on development in connection with a product or service, which is to be supplied on a full cost recovery basis, and other development expenditure is capitalised if it meets the criteria specified in IAS 38 - Intangible Assets. These criteria include that there is an identifiable asset that will produce future benefits and if the cost can be determined reliably.

Intangible assets are initially measured at cost. Following recognition, intangible assets are revalued annually, where appropriate, using indices from the ONS. Intangible assets are amortised on a straight-line basis over a two - five year useful economic life depending on the specifics of the intangible asset.

The BTPA derecognises assets with when they are withdrawn from use and no future economic benefits are expected from their disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and is recognised in SoCI.

2.8 Disposals

Depreciation is charged up to the date on which the asset is disposed. Any gains or losses on the eventual disposal of property, plant and equipment are recognised in the SoCI when the asset is derecognised.

2.9 Impairment of non-financial assets

For the purpose of impairment testing, property, plant and equipment and intangible assets are looked at on an individual basis. Where this is not possible, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units.

At the end of each reporting period, the BTPA reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the BTPA estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the SoCI.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the SoCI.

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2.10 Revenue Recognition

Income is recognised as the performance obligations are fulfilled in line with IFRS15 -Revenue from Contracts with Customers. The majority of income is derived from Police Service Agreements (PSA) and Enhanced Police Service Agreements (EPSA). PSA's are in accordance with the Railways and Transport Safety Act 2003, and set out the obligations for both the Authority and the rail operators. Rail operators are legally required to hold a PSA. Charges are based on the annual policing plan which is devised in consultation with stakeholders. EPSA's exist where a rail operator requests a dedicated service alongside a PSA or to tackle a specific issue. The rail operator will be charged the full cost of providing the EPSA. The costs are charged in year, in line with the service provided as the performance obligations are met. EPSA's are contracted for a specific period, and rebates are given where the service provided was below the performance obligation.

2.11 Leases

IFRS 16 Leases provides a single lessee accounting model that results in more faithful representation of a lessee's assets and liabilities and, together with enhanced disclosures, will provide greater transparency of a lessee's financial leverage and capital employed. The standard requires lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less, or the underlying asset meets the IFRS 16 criteria to be classified as of "low value". The assets and liabilities are recognised initially at the discounted value of the minimum lease payments, and that the assets, described as "right of use" assets, are presented under Property, Plant and Equipment. The right-of-use assets have been depreciated on a straight-line basis and interest has been recognised on the liabilities. The cost model has been applied to assets for leases other than leases with a peppercorn rental, which have been measured on a current value in existing use basis. As a result, the timing of the recognition of the total costs of leasing has changed, as interest costs will be higher at the start of a lease.

Under IFRS 16, as adapted and interpreted by the Financial Reporting Manual, there is a presumption that where entities cannot readily determine the interest rate implicit in the lease, they are instead required to use the HM Treasury discount rate promulgated in Public Expenditure System papers as their incremental borrowing rate. The discount rate issued by the HM Treasury was .91% which has been applied by BTP for leases that commence or are remeasured prior to January 2022 and in the 2021 calendar year and .95% for the full calendar year 2022.

The Authority has a number of short term leases in respect of property that do not come under the scope of IFRS16. These leases are considered short-term on the grounds the contracts are no longer enforceable as both BTP and the lessor have the right to terminate the contract with a notice period of 12 months or less. Rentals under operating leases are charged to the SoCI in the period in which they are incurred.

2.12 Provisions

The Authority makes provision for liabilities and charges in accordance with IAS 37 - Provisions, where at the end of the current reporting period, a legal or constructive liability (i.e. a present obligation from past events) exists, the transfer of economic benefits is probable, and a reasonable estimate can be made.

Provisions for liabilities are based on reliable estimates of the expenditure required to settle future legal or constructive obligations that exist. Provisions are charged to the SoCI and released when the transfer of economic benefit to settle the obligation is made. The key provisions outstanding at year end were claims against the Authority, dilapidations and rent reviews.

2.13 Contingent liabilities

In accordance with IAS 37, the Authority discloses as contingent liabilities potential future obligations arising from past obligating events, where the existence of such obligations remains uncertain pending the outcome of future events outside of the BTPA's control, unless their likelihood is considered to be remote.

2.14 VAT

Most of the activities of the BTPA are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Input VAT on non-statutory services is recoverable. Irrecoverable VAT is charged to the relevant expenditure category or, if appropriate, capitalised with additions to non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

2.15 Interest payable/receivable/finance expense

Interest payable is accrued so that the period bears the full cost of interest relating to actual borrowings during that period.

Finance expense represents interest charged against right-of-use assets in scope with IFRS 16.

Interest receivable is accounted for in the period in which it is due.

2.16 Inventories

Inventories is primarily made up of uniforms. Inventory is stated at the lower of cost or net realisable value.

2.17 Impairment of financial assets

All bad and doubtful debts are reviewed on a case by case basis to assess the likelihood of recovery actions being successful. Each assessment takes into account the nature of the debt, payment record of the debtor, whether they have been or are in dispute with the Authority and any other appropriate information. If it appears that a debtor has been charged incorrectly, then this amount will be put back into the charging model and the cost will recharged out correctly. Credit loss
allowances are recognised where material. BTP considers that none of its loans has experienced a significant increase in credit risk since origination or become credit-impaired in 2020-21 or 2021-22 and that the 12-month expected credit loss is immaterial.

2.18 Cash and cash equivalents

For the purposes of the statement of cashflows (SoCF), cash includes cash in hand and deposits on call at financial institutions. The Authority does not currently hold any items that meet the definition of cash equivalents such as short term highly liquid investments.

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2.19 Staff costs

Employee benefits

Wages, salaries, bonuses, social security contributions, annual leave, sick leave, and time off in lieu are accrued in the period in which the associated services are rendered by employees.

Retirement benefit costs

Employees can be members of defined benefit pension schemes as disclosed in Note 23.

For the defined benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with full actuarial valuations being carried out at least every three years and updates to these valuations carried out in intervening years. The current service cost and plan administration expenses are recognised as an operating expense in the consolidated income statement.

The BTPA's share of the actuarial gains and losses are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in the statement of comprehensive income.

The net interest cost is the charge in the year on the net defined benefit liability. The charge reflects the passage of time and is recognised as a finance cost in the income statement. Past service cost and credits are recognised immediately in the consolidated income statement.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

The BTPA reflects its share of the deficit in the financial statements. Further details on the retirement benefit schemes are provided in note 23.

2.20 Reserves

The BTPA operates:

- A revaluation reserve that represents the cumulative impact of upward/downward revaluations of property, plant and equipment; and
- A pension reserve that is equal to the net pension liability recognised in the financial statements.
- An Income and Expenditure Reserve

Further details of the movements on these reserves are given in Note 22.

2.21 Grant in aid

Grant in aid received from DfT is recognised on a cash basis through the statement of changes in taxpayers equity (SoCfE) directly because it is considered to be a controlling party contribution and capital grants are also recognised immediately except where the funder imposes a condition. This treatment is in accordance with IAS 20 as interpreted by FR&M.

3 Critical accounting judgements

In applying the accounting policies set out above, the Authority has identified one critical accounting judgement, namely the applicability of the going concern basis for the preparation of its accounts as discussed in Note 2.2 above. Furthermore, IFRS15 requires judgement to ascertain when the performance obligations are met.

4 Sources of estimation uncertainty

Key sources of estimation uncertainty

The accounts contain estimated figures that are based on assumptions made by the Authority about the future, or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the accounts for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

- Property, plant and equipment - as a result of changes in assumptions about useful economic lives. Any reduction in useful economic lives would reduce the assets and increase expenditure;
- Pension liabilities - as a result of assumptions on discount rates, pay increases and mortality. See further detail at Note 23;
- Pension assets - as a result of the valuation of property, private equity and non-exchange- traded pooled investment vehicle assets. See further detail at the end of Note 23 for sensitivity of these valuations;
- Staff costs - as a result of changes in estimates for holiday pay and time off in lieu. Any increase in the estimates for these items would increase liabilities and expenditure;
- Provisions - as a result of future outcome of litigation, cases, disputes, and other rent reviews. Any increase in the estimates for these items would increase liabilities and expenditure;
- Impairment of receivables using expected loss model - as a result of changes in potential recoverability of receivables. Any increase in the estimate for these items would decrease assets and increase expenditure.

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5 Segmental analysis

The Authority operates as one class of business, that of policing the railways throughout England, Wales and Scotland, and undertakes that class of business in one geographical segment, Great Britain. BTP's structure is based on three Divisions. The three divisions are Division B (East, South of England and Transport for London), Division C (Pennine, Midlands, South West and Wales) and Division D (Scotland). Force Head Quarters based in Camden retains overall command of the Force's activity and houses central departments and functions. Whilst direct costs are monitored on a divisional basis, a large proportion of overhead expenditure is generated centrally. The majority of income is also generated and monitored centrally rather than on a divisional basis. Furthermore, assets and liabilities are not analysed in this way due to them not being reported internally on a segmental basis.

	2021/22	2020/21
	£'000	£'000
Divisions		
B Division	74,556	80,806
C Division	44,361	47,437
D Division	10,410	10,645
Remaining overheads	290,922	234,057
Total expenditure before finance expenses	420,249	372,945

6 Income

	31 March 2022	31 March 2021
	£'000	£'000
Police Service Agreement income	234,228	230,052
Other income		
London Underground Agreement income	72,886	71,426
Enhanced Police Service Agreement income	13,800	16,146
Smaller funding agreements	1,585	760
Other income*	8,247	1,080
Capital funding	377	374
	96,895	89,786
Total	331,123	319,838

*Increase in other income is mainly due to reclassification of Country Lines from EPSA to other income (£4.3m), Climate Summit COP 26 (£1.1m), Safer Streets funding (£0.2m) and combined income (£0.8m) for Op Prevail, Op Diemenalis, and Op Trelawny.

The British Transport Authority operates a number of operating income streams. The amounts disclosed above are incurred as performance obligations have been met. The income streams can be categorised as follows:

1. Police Service Agreement

Under the Railways and Transport Safety Act 2003, the Authority enters into a PSA with its customers in order to provide a policing service as specified in the agreement. In determining the customers' contribution, the Authority aims to ensure that its full annual costs are covered and uses a predetermined charging mechanism that is consistent with the Act and is in accordance with the customer's PSA. The customer is normally referred to as the PSA holder.

2. Enhanced Police Service Agreements

Any additional services outside of the PSA holder's agreement are referred to an EPSA. The enhanced service is charged at full cost in accordance with the specific customer agreement.

3. London Underground Agreement

London Underground Agreement income is calculated separately from the PSA Charging Model. BTP negotiates policing requirements with London Underground charged at full cost.

4. Other income

There are a number of smaller contract agreements with other government departments and external bodies. The income received from such customers fund specific initiatives that broadly relate to the prevention of crime and the protection of the wider society on the railway infrastructure. Of these smaller type contract agreements, contributors include Network Rail, TfL, the Home Office, and other smaller third party contributors.

In addition, BTP also receives income from the Home Office Asset Recovery Incentivisation Scheme (ARIS) which distributes a portion of recoveries of proceeds of crime (POCA) to BTP in cases where it was the investigating authority. This funding is treated under IAS 20.12 as a grant, which is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

7 Staff numbers and related costs

For staff numbers and related costs please see the Remuneration report.

Total staff costs consist of:

	2021/22		2020/21	
	Permanently employed staff	Other staff	Total	Total
	£'000	£'000	£'000	£'000
Salaries and wages	208,966	1,105	210,071	210,896
Social security costs	20,357	-	20,357	20,157
Other pension costs*	113 826	-	113 826	69,145
	343,150	1,105	344,255	300,198
Less recoveries in respect of outward secondments	(1,031)	-	(1,031)	(1,028)
Total net costs	342,119	1,105	343,223	299,170

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8 Other expenditure

The deficit on ordinary activities before interest is stated after charging the following:

		31 March 2022 £'000	31 March 2021 £'000
Staff related costs		3,829	4,355
Communications and computers		17,885	16,613
Operational expenses		3,327	4,109
Administrative expenses		1,761	1,661
Professional services		2,090	1,733
Legal and Insurance		3,363	1,551
Equipment purchases		2,399	2,729
Rentals under operating leases		5,460	4,778
Premises (excluding rentals under operating leases)		12,031	11,864
Transport costs		6,759	5,688
Other		(40)	(79)
Other expenditure		58,864	55,002
Depreciation of property, plant and equipment	9	12,325	11,316
Depreciation of right-of-use assets	9	3,991	4,905
Amortisation of intangible assets	10	1,846	2,552
Depreciation and amortisation		18,162	18,773
Finance expense		734	476
Total		77,760	74,251

During the year the Authority did not purchase any non-audit services from its auditor the Comptroller and Auditor General. Included in "Professional services" is the audit fee of £127k for auditor's remuneration for audit work related to 2021/22 (2020/21: £120k).

* Included within "Other" is (profit)/loss on disposal of assets of £144k profit (2020/21: £146k profit) and donation expense of £12k relating to body armours donated by the Authority to Ukraine and Moldova. The remainder of the balance is made up of sundry items.

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9 Property, plant and equipment

Cost

As at 1 April 2021

Additions

Adjustments*

Disposals

Derecognition

Revaluations

Reclassifications

As at 31 March 2022

Depreciation

As at 1 April 2021

Charged in year

Disposals

Derecognition

Revaluations

Reclassifications

As at 31 March 2022

Carrying amount as at 31 March 2022

Asset Financing:

Owned

Carrying amount as at 31 March 2022

	Leasehold improvements	Plant and machinery	Motor Vehicles	Assets under construction - Motor vehicles	Assets under construction - Other	Right-of-Use Assets	Fixtures & fittings	IT equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 April 2021	45,495	17,852	16,307	1,527	4,490	27,223	3,859	47,136	163,889
Additions	5,766	106	1,118	2,503	5,786	7,675	72	7,523	30,549
Adjustments*						5,741			5,741
Disposals	(9)	(213)	(2,106)	-	-	(326)	-	(2)	(2,656)
Derecognition	(2,712)	(1)			(75)			(3)	(2,791)
Revaluations	2,050	165	447			-	41	1,167	3,870
Reclassifications	1,733	14	1,242	(1,242)	(4,314)	-	28	2,539	0
As at 31 March 2022	52,323	17,923	17,008	2,788	5,887	40,313	4,000	58,360	198,602
Depreciation									
As at 1 April 2021	30,350	15,825	10,572	-	-	8,038	3,189	31,746	99,720
Charged in year	3,209	747	1,956	-	-	3,991	161	5,693	15,755
Disposals	(18)	(165)	(2,028)	-	-	-		(1)	(2,212)
Derecognition	(2,636)	(1)	-	-	-	-		(3)	(2,640)
Revaluations	224	79	91			-	12	155	561
Reclassifications						-			0
As at 31 March 2022	31,129	16,485	10,591	-	-	12,029	3,362	37,590	111,184
Carrying amount as at 31 March 2022	21,194	1,438	6,417	2,788	5,887	28,284	638	20,770	87,417
Asset Financing:									
Owned	21,193	1,438	6,417	2,789	5,886	28,284	638	20,772	87,417
Carrying amount as at 31 March 2022	21,193	1,438	6,417	2,789	5,886	28,284	638	20,772	87,417

*Right of use asset adjustment relates to a prior year lease term correction for the Brewery Road lease increasing by 21 years resulting in an increase to the net asset value and the impact to SoCI is immaterial.

Cost

As at 1 April 2020

Additions

Adjustments

Disposals

Derecognition

Revaluations

Reclassifications

As at 31 March 2021

Depreciation

As at 1 April 2020

Charged in year

Disposals

Derecognition

Revaluations

Reclassifications

As at 31 March 2021

Carrying amount as at 31 March 2021

Asset Financing:

Owned

Carrying amount as at 31 March 2021

	Leasehold improvements	Plant and machinery	Motor Vehicles	Assets under construction - Motor vehicles	Assets under construction - Other	Right-of-Use Assets	Fixtures & fittings	IT equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 April 2020	44,110	17,095	16,668	683	3,889	23,960	3,185	39,360	148,950
Additions	964	391	1,402	1,527	4,419	1,723	655	4,954	16,035
Adjustments	-	-	-	-	-	1,648	-	-	1,648
Disposals	(4)	-	(2,503)	-	-	(108)	-	-	(2,615)
Derecognition	(476)	-	-	(2)	(114)	-	-	(4)	(596)
Revaluations	265	30	59	-	-	-	1	112	467
Reclassifications	636	336	681	(681)	(3,704)	-	18	2,714	-
As at 31 March 2021	45,495	17,852	16,307	1,527	4,490	27,223	3,859	47,136	163,889
Depreciation									
As at 1 April 2020	27,697	14,193	10,888	-	-	3,209	3,059	27,429	86,475
Charged in year	2,903	1,541	2,017	-	-	4,905	116	4,153	15,635
Disposals	(3)	-	(2,432)	-	-	(76)	-	-	(2,511)
Derecognition	(463)	-	-	-	-	-	-	(2)	(465)
Revaluations	216	91	99	-	-	-	14	166	586
Reclassifications	-	-	-	-	-	-	-	-	-
As at 31 March 2021	30,350	15,825	10,572	-	-	8,038	3,189	31,746	99,720
Carrying amount as at 31 March 2021	15,145	2,027	5,735	1,527	4,490	19,185	670	15,390	64,169
Asset Financing:									
Owned	15,145	2,027	5,735	1,527	4,490	19,185	670	15,390	64,169
Carrying amount as at 31 March 2021	15,145	2,027	5,735	1,527	4,490	19,185	670	15,390	64,169

10 Intangible assets

Intangible assets comprise of software, software licences, the wide area network project and expenditure on website development.

	Licences £'000	Software £'000	Wide area network £'000	Websites £'000	Assets under construction £'000	Total £'000
Cost						
As at 1 April 2021	7,231	14,262	4,251	347	170	26,261
Additions	82	358			69	509
Derecognition						-
Revaluations	75	149		1		225
Reclassifications	159	13			(172)	-
As at 31 March 2022	7,547	14,782	4,251	348	67	26,995
Amortisation						
As at 1 April 2021	6,395	11,755	4,248	342	-	22,740
Charged in year	395	1,445	2	4	-	1,846
Derecognition	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31 March 2022	6,790	13,200	4,250	346	-	24,586
Carrying amount as at 31 March 2022	757	1,582	1	2	67	2,409
Asset financing:						
Owned	757	1,581	1	2	67	2,408
Carrying amount as at 31 March 2022	757	1,581	1	2	67	2,408
	Licences £'000	Software £'000	Wide area network £'000	Websites £'000	Assets under construction £'000	Total £'000
Cost						
As at 1 April 2020	7,186	13,068	4,251	347	904	25,756
Additions	26	232			170	428
Derecognition						-
Revaluations	19	58		-		77
Reclassifications		904			(904)	-
As at 31 March 2021	7,231	14,262	4,251	347	170	26,261
Amortisation						
As at 1 April 2020	5,781	9,839	4,249	319	-	20,188
Charged in year	614	1,916	(1)	23	-	2,552
Derecognition	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
As at 31 March 2021	6,395	11,755	4,248	342	-	22,740
Carrying amount as at 31 March 2021	836	2,507	3	5	170	3,521
Asset financing:						
Owned	836	2,507	3	5	170	3,521
Carrying amount as at 31 March 2021	836	2,507	3	5	170	3,521

11 Financial instruments

BTP has contractual provisions to receive cash payments in return for providing a policing service and for full cost recovery of BTP expenditure. The various BTP income streams relate to agreements covered by the PSA, EPSA, TfL (funding from London Underground), Network Rail, funding from other Transport Operating Contractors, specific income funding from the Home Office and ARIS.

Owing to the largely non-trading nature of its activities and the way in which the Authority is financed, the Authority is not exposed to the degree of financial risk faced by other entities. The Authority has limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Authority in undertaking its activities.

Liquidity and credit risk

The Authority's net income and capital resource requirements are financed by resources from the PSA holders, and other Government bodies. Therefore the Authority is not exposed to significant liquidity risks. Credit risk has not significantly increased from the financial distress on the train operators as a result of Covid-19 due to emergency measures agreements in place which passed cost and revenue risk for the majority of operators to DfT. BTP did not have any long-term financial instruments during the year.

Interest rate risk

All of the Authority's financial assets and all of its financial liabilities carry nil or fixed rates of interest. The Authority is not therefore exposed to significant interest-rate risk.

Foreign currency risk

The Authority's exposure to foreign currency risk is not significant. Foreign currency income and expenditure is negligible.

IFRS 9 Financial Instruments was adopted for the first time in 2018-19. Adoption has had no impact on the accounts since while classifications have been renamed, underlying approaches to measurement for financial assets and liabilities held by the Fund are unchanged. Other than cash, these principally represent receivables and payables, all of which are short-term instruments held in the normal course of the BTP's operations with negligible divergence between their carrying values and fair values.

Fair values

Set out below is a comparison by category of book values and fair values of the Authority's financial assets and liabilities.

Primary financial instruments:	2021/22		2020/21	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Financial assets:				
Cash at bank	53,331	53,331	36,571	36,571
Trade receivables	3 186	3 186	13 482	13 482
	56,517	56,517	50,053	50,053
Financial liabilities:				
VAT payable	1,997	1,997	1,011	1,011
Other taxation & social security payables	3,191	3,191	3,095	3,095
Trade payables	928	928	4,736	4,736
	6,116	6,116	8,842	8,842

12 Inventories

Uniform and related items

	2021/22 £'000	2020/21 £'000
Opening balance	67	48
Additions	641	952
Utilisations	(719)	(933)
Provision	-	-
Adjustment	386	-
Closing balance	375	67

During the year, the value of inventories increased by £308k to £375k (2020/21: £67k) which is in line with the total actual stock balance as at 31st March 2022 per the Stock Report provided by DHL. The adjustment balance of £386k represents an adjustment to reverse historic provision which was fully utilised in the prior year. There is no provision recognised in 2021/22 and 2020/21.

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13 Trade receivables and other assets

Amounts falling due within one year:

Trade receivables- contracts with customers

Trade receivables – other

Other receivables

Prepayments and accrued income

Less: Impairment of receivables using expected loss mc

Total

Amounts in the above figures due from other entities included in the whole of government account:

Other central government bodies

Local authorities

Public corporations and trading funds

Intra-government debtors

Bodies external to government

Total

A provision of £24k has been made against an element of debt where recovery is doubtful. No provision was held in 2020/21.

14 Cash and cash equivalents

Balance at 01 April

Net change in cash and cash equivalent balances

Balance at 31 March

The following balances at 31 March were held at:

Government banking service

Commercial banks and cash in hand

Balance at 31 March

2021/22 £'000	2020/21 £'000
3,186	13,482
-	-
548	743
6,807	7,059
(24)	-
10,517	21,284

2021/22 £'000	2019/20 £'000
3,164	1,710
1,359	12,264
-	-
4,523	13,974
5,994	7,310
10,517	21,284

2021/22 £'000	2020/21 £'000
36,571	39,093
16,760	(2,522)
53,331	36,571
105	106
53,226	36,465
53,331	36,571

15 Trade payables and other liabilities
Amounts falling due within one year:

	2021/22 £'000	2020/21 £'000
VAT payable	1,997	1,011
Other taxation & social security payables	3,191	3,095
Trade payables	928	4,736
Other payables	2,673	1,749
Lease liabilities - right-of-use assets	3,596	3,959
Accruals	42,390	37,258
Deferred income- contracts with customers	419	10
Total	55,194	51,818

Amounts falling due after more than one year:

Other payables, accruals and deferred income	29	34
Lease liabilities - right-of-use assets	25 481	15 702
Total	80,704	67,554

Amounts in the above figures due to other entities included in the whole of government account:

	2021/22 £'000	2020/21 £'000
Other central government bodies	7,368	6,004
Local authorities	3,676	2,495
NHS Bodies	220	250
Public corporations and trading funds	(3)	7
Intra-government payables and liabilities	11,261	8,756
Bodies external to government	69 443	58 798
Total	80,704	67,554

[*] The accruals balance includes an accrual for employee annual leave entitlements not yet used. As a result of the Covid-19 pandemic, all employees were permitted to carry over up to 20 days of leave for the calendar year 2021 and 2022. The standard policy of maximum carry over of 5 days will resume on 01 January 2023.

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16 Provisions for liabilities and charges

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation as at year end. These provisions have been classified as current as they are expected to be realised within the 2021/22 financial period.

	Claims against the Authority £'000	Employment tribunals £'000	Dilapidations £'000	Other provisions £'000	Total £'000
Balance at 1 April 2020	1,979	107	2,182	3,012	7,280
Provided in the year	2,193	240	(53)	4,551	6,931
Provisions utilised during the year	(879)	(149)	-	(2,264)	(3,292)
Provisions written back in the year	(1,775)	(76)	-	(2,692)	(4,543)
Balance at 31 March 2021	1,518	122	2,129	2,607	6,376
Provided in the year	2,020	230	(2)	2,947	5,195
Provisions utilised during the year	(832)	(57)	-	(1,861)	(2,750)
Provisions written back during the year	(877)	(210)	-	(382)	(1,469)
Balance at 31 March 2022	1,829	85	2,127	3,311	7,352

Claims against the Authority

This provision applies to claims made by employees of the BTPA and members of the public, which were allegedly caused by the BTP or BTPA's negligence and result in injury, loss or damage. The provision is created based on information provided on a regular basis by professional in-house staff and solicitors and is the estimated cost of settlement including legal costs for outstanding liabilities.

Employment tribunals

This provision is established on an individual case basis in conjunction with external legal advisers, relating to employment disputes, such as unfair dismissal and discrimination. The provision covers estimated costs of any settlement and any legal expenses.

Dilapidations

This provision applies to dilapidations of leasehold properties.

Other provisions

This relates to all other provisions and primarily includes costs relating to rental reviews and redundancies.

17 Contingent Liabilities

There are currently on-going negotiations with HMRC regarding the treatment of staff travel benefits recorded on historical and current P11D submissions. The maximum cost of this issue to the Authority is estimated to be £350,000. Using the information present at the time of signing the Financial Statements, and having considered legal advice, the Authority concluded on the balance of probabilities no outflow will occur as a result of this issue. If this assumption changes by subsequent events, the Authority does not consider its exposure to be material.

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A contingent liability exists with regards to additional categories of employee claims with respect to Police Overtime Claims Litigation, Category 1, claims by CHIS Handlers/ Controller DC KSO and others v the Commissioner of the Metropolitan Police and Others. Using information present at the time, and that no evidence of completed cases for these categories of claim exist across the country, the Authority has concluded that on the balance of probabilities a liability for the future settlement of these types of claims does not exist.

A contingent liability is in place regarding future claims following the conclusion of the Manchester Arena Inquiry. Potential claims are stayed until the conclusion of the Inquiry, at which point an estimate of maximum liability can be assessed.

A remedy has been implemented on 1st April 2022 following the Court of Appeal ruling that the transitional protection applied to public service pension schemes to be discriminatory. Home Office police forces will taper all officers into the 2015 scheme and officers with CARE benefits pre 1st April 2022 will have CARE benefits shown as moved back into legacy schemes. This remedy may will certain transferees from Home Office forces to BTP. As a result additional backdated costs may be required to reflecting this remedy. At this stage it is too early to ascertain a reasonable estimate of costs however early estimates assume a cost of £0.65 million.

At the point of signing the Financial Statements the 2018 actuarial valuation of the BTPFSF (Officer Pension Scheme) has not yet been finalised. Discussions continue with The Pensions Regulator and DFT regarding assumptions made by the Trustee.

The Authority acknowledges potential future claims relating to an ongoing legal case. A maximum cost of £375,000 for further costs and damages has been estimated.

18 Capital commitments

As at 31 March 2022 the Authority had the following capital commitments:

	2021/22 £'000	2020/21 £'000
Estates	64	30
Technology	355	240
Fleet	1,995	1,995
Other	34	5
Total BTP capital commitments	2,448	2,270

19 Commitments under leases

Total future minimum lease payments under short term leases are given in the table below for each of the following periods*

Short term leases not recognised under IFRS 16:

Buildings:	
Not later than one year	
Later than one year and not later than five years	
Later than 5 years	
Total short term leases	

2021/22 £'000	2020/21 £'000
3,844	3,363
9,603	10,114
12 994	9 511
26,441	22,988

<To be included as a footnote> *These leases are considered short-term on the grounds the contracts are no longer enforceable as both BTP and the lessor have the right to terminate the contract with a notice period of 12 months or less.
Total future minimum lease payments under right-of-use assets are given in the table below for each of the following periods:

Right-of-use liabilities for the following periods comprise:

Buildings:	
Not later than one year	
Later than one year and not later than five years	
Later than 5 years	
Total right-of-use liabilities	

2021/22 £'000	2020/21 £'000
3,596	3,922
10,766	9,220
14 716	6 520
29,077	19,662

The following table provides a reconciliation between the opening and closing position of IFRS 16 lease liabilities:

	2021/22 £'000	2020/21 £'000
Opening IFRS 16 lease liability	19,662	20,406
Lease liability additions*	13,205	3,358
Lease liability disposals	(328)	
Lease repayments	(4,193)	(4,902)
Finance charge	731	476
Peppercorn lease liability moved to reserves		324
Closing IFRS 16 lease liability	29,077	19,662

*Within Lease liability additions there is an adjustment of £5.741m relating to Brewery Road. See note 9 for further detail.

20 Other financial commitments

Other financial commitments and non-cancellable contracts that have been entered into by the Authority are detailed below:

	2021/22 £'000	2020/21 £'000
Non-cancellable contracts for the following periods comprise:		

Not later than one year
Later than one year and not later than five years
Later than 5 years
Total financial commitments

6,042	6,637
181	5,116
-	-
6,223	11,753

21 Related party transactions

The Authority is a non-departmental public body of the DfT. The DfT is regarded as a related party. During the year, the BTPA has had the following material transactions with the Department and with other entities for which the Department is regarded as the parent Department:

BTPA was not invoiced for any costs by DfT in 2021/22 (Enil in 2020/21) and there were no outstanding balances at year end (Enil in 2020/21). BTPA was provided a grant in aid by DfT of £13,149k and invoiced £39k by the Authority in 2021/22 (£6,507k in 2020/21) and no amounts were outstanding at year end (Enil in 2020/21).

In addition, the BTPA has had a number of transactions with other government departments and other central government bodies. Most of these transactions have been with Network Rail **which is also an arm's length body of the Department for Transport, same as BTP.** The Authority was invoiced for £1,634k (£1,165k in 2020/21) by Network Rail in 2021/22 and as at 31 March 2022 there was Enil outstanding (£171k at 31 March 2021). Network Rail was invoiced by the Authority for £98,128k in 2021/22 (£99,786k in 2020/21) and as at 31 March 2022 £1,376k was outstanding (£770k at 31 March 2021). All these amounts are payable and receivable within 30 days and not subject to interest.

All Chief Constables are members of the Board of the National Police Chief's Council. The BTPA was invoiced £46k in 2021/22 (£42k in 2020/21) and there were no outstanding balances at year end (Enil in 2020/21).

Lucy D'Orsi was seconded from the Metropolitan Police Service until 19th January 2022. The Authority invoiced the Metropolitan Police Service £606k in the current financial year (£320k in 2020/21) and at 31 March 2022 £79k was outstanding (£7k in 2020/21). The Metropolitan Police Service has invoiced the Authority for £489k in the current financial year (£541k in 2020/21) and at 31 March 2022 £1k was outstanding (Enil in 2020/21).

Due to its status as a national Police Force, the Authority often transacts with the Home Office. The Home Office is therefore regarded as a related party. The Authority invoiced the Home Office £4,326k in the current financial year (£3,850k in 2020/21). At 31 March 2022 £11k was outstanding (Enil at 31 March 2021). The Home Office has invoiced the Authority for £1,706k (£1,526k in 2020/21) in the current financial year. At 31 March 2022, no amounts were outstanding (£1k at 31 March 2021). All these amounts are payable and receivable within 30 days and not subject to interest.

The corporate governance arrangements of the Authority require members and senior Authority Officers to register financial and other interests and also to disclose personal or prejudicial interests where matters are discussed at meetings of the Authority. These interests are disclosed below:

Fiona Brunskill is the Director of People and Cultural Change at Transport for London. In the course of the year, the Authority invoiced TfL for £80,293k (£75,534k in 2020/21) and was invoiced by TfL for £36k (Enil in 2020/21). As at 31 March 2022, no amounts were due from TfL (£11,069k at 31 March 2021). All these amounts are payable and receivable within 30 days and not subject to interest. For disclosure purposes, transactions with London Underground Limited have been included in these values.

Dominic Booth is the Managing Director at Abellio Group UK. In the course of the year, the Authority invoiced Abellio Group UK for £36,978k (£36,565k in 2020/21) and was invoiced by Abellio Group UK for £118k (£93k in 2020/21). As at 31 March 2022, £15k was due from Abellio Group UK (£1k in 2020/21). As at 31 March 2022, £5k was due to Abellio Group UK (£23k in 2020/21). All of these amounts are payable and receivable within 30 days and not subject to interest.

Dominic Booth a Director at Rail Delivery Group Limited. In the course of the year, the Authority invoiced Rail Delivery Group for £22k (£70k in 2020/21) and no amounts were invoiced by Rail Delivery Group (£24k in 2020/21). As at 31 March 2022, £2k was due from Rail Delivery Group (£6k in 2020/21). As at 31 March 2022, no amounts were due to Rail Delivery Group (Enil in 2020/21). All of these amounts are payable and receivable within 30 days and not subject to interest.

Stewart Jackson is the HS2 independent Residents' Commissioner for the Department for Transport and Mike Gallop is a Route Director for Network Rail. Please see above for details of the transactions and balances with the Department for Transport and Network Rail. In the course of the year, the Authority invoiced HS2 for £487k (£348k in 2020/21) and no amounts were invoiced by HS2 (Enil in 2020/21). As at 31 March 2022, £65k was due from HS2 (£124k in 2020/21). As at 31 March 2022, no amounts were due to HS2 (Enil in 2020/21). All of these amounts are payable and receivable within 30 days and not subject to interest.

Feisel Khan is a non-executive director and Chair of Audit for the Driver and Vehicle Standards Agency (DVSA). The BTPA was invoiced Enil in 2021/22 (£1k in 2020/21) and there were no outstanding balances at year end (Enil in 2020/21). All of these amounts are payable and receivable within 30 days and not subject to interest.

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22 Reserves

The distributable reserves are retained earnings, which also include the capital financing reserve, the working capital reserve and the contingency reserve. Undistributable reserves are made up of the revaluation reserve and the pension reserve.

	Distributable Reserves	Undistributable reserves		Total
	Retained Earnings	Revaluation reserve	Pension reserve	
	£000	£000	£000	£000
Opening balance at 01 April 2020	49,479	5,261	(579,327)	(524,587)
IFRS 16 adjustments after transition	(315)	-	-	(315)
Gains/(losses) on revaluation of assets	-	544	-	544
Actuarial gain/(loss)	-	-	(403,309)	(403,309)
Comprehensive income for the year	(66,622)	-	-	(66,622)
Reclassification	338	-	-	338
Transfer between reserves	57,076	(586)	(56,490)	-
DFT Grant funding recognised	6 507	-	-	6 507
Balance at 31 March 2021	46,463	5,219	(1,039,126)	(987,444)
Opening balance at 01 April 2021	46,463	5,219	(1,039,126)	(987,444)
IFRS 16 adjustments after transition	-	-	-	-
Gains/(losses) on revaluation of assets	-	4,094	-	4,094
Actuarial gain/(loss)	-	-	233 190	233 190
Comprehensive income for the year	(109,883)	-	-	(109,883)
Reclassification	381	-	-	381
Transfer between reserves	107,130	(560)	(106,570)	-
DFT Grant funding recognised	13 149	-	-	13 149
Closing balance at 31 March 2022	57,240	8,753	(912,506)	(846,513)

Retained earnings/Distributable reserves

The Retained earnings reserves represent the BTPA’s cumulative past operating surpluses/deficits from the PSA charges levied to the PSA Holders. Operating losses are carried forward and surpluses are retained and reinvested in the core business and agreed specific initiatives.

Revaluation reserve

The Revaluation reserve represents the cumulative restatements of property, plant and equipment using the relevant modified historical costing indices from the ONS for the category of asset.

Pensions reserve

The pension reserve represents the reverse side of the pension liability reported within the SoFP.

23 Disclosure of retirement benefits

The pension costs and net interests are reflected in the SoCI and the total net pension liabilities for all staff, past and present, are shown in the SoFP, net of the fair value of plan assets. HM Treasury have confirmed that the charge or credit to the SoCI arising from IAS19 should be excluded from the calculation of the amount to be reclaimed from parties with PSAs with the Authority.

The fund participates in two pension schemes, both of which are the direct responsibility of the Authority. In addition, Railpen have a role in relation to the management and administration of the scheme. The officer pension scheme, British Transport Police Force Superannuation Fund (BTPFSF), consists of two sections where members are entitled to final salary benefits and one further section where members are entitled to benefits based on career average earnings. The duration of the scheme is 20 years. Other staff may join the British Transport Police Section of the Railways Pension Scheme (RPS) which provides members with benefits based on final salary. The scheme duration is 29 years. As at the reporting date the Authority is in consultation to close this section of the RPS scheme and open a new defined contribution section. Both schemes cover past and present employees, and aim to be fully funded.

The 2019 actuarial valuation of the BTP section of the RPS scheme has been finalised and reports a shortfall of £6.3m. The Authority has agreed to meet the shortfall through lump sum payments of £1.27m on or before each 1 July from 2021 to 2026 inclusive. Contribution rates will increase to the future service joint contribution rate; with the share of this increase having been by the Authority until 01 April 2022. The 2018 actuarial valuation of the BTPFSF has not yet been finalised. Discussions continue with The Pensions Regulator and DfT regarding assumptions made by the Trustee. The impact of COVID-19 on the pension scheme valuations has been considered in the current financial year. Further detail on this is covered at the end of this report.

The corporate actuary XPS supports the Authority with the choice of financial assumptions as well as provides the IAS 19 calculations used in completing the following disclosure.

The net position of the schemes at 31 March 2022 were as follows:

	2021/22 £000	2020/21 £000
Net pension liabilities		
British Transport Police Force Superannuation Fund	(727,711)	(846,396)
British Transport Police Section of the Railways Pension Scheme	(184,798)	(192,729)
	(912,510)	(1,039,125)

The amounts recognised in the SoCI are as follows:

	2021/22 £000	2020/21 £000
Pension costs reflected in the SoCI		
Current Service Cost - BTPFSF	86,710	49,610
Current Service Cost - RPS	23,290	15,430
Administrative expenses and taxes - BTPFSF	2,660	2,620
Administrative expenses and taxes - RPS	1,090	820
	113,750	68,480
IAS19 interest reflected in the SoCI		
Net Interest - BTPFSF	16,350	10,860
Net Interest - RPS	3 680	2 230
	20,030	13,090
Total amount recognised in the SoCI	133.780	81.570

* Government support payments have been excluded from the SoCI as they are eliminated from the IAS19 calculation of the overall cost of the pensions, and it is appropriate to include an assumption of Government support in the actuarial valuation of the pensions liability.

IAS 19 pension adjustment reported in the SoCF

Non cash elements related to the pension scheme are deducted from net expenditure as per the SoCF to show BTPA's overall cash position. The IAS 19 interest cost is removed in full. The other adjustment for pension charges removes the difference between the pension costs other than interest reflected in the SoCI (as per the table below) and the employer contributions paid to the schemes in each year.

	Note	2021/22 £000	2020/21 £000
BTPFSF			
Current service cost	23D	86,710	49,610
Administrative expenses and taxes	23D	2,660	2,620
		89,370	52,230
RPS			
Current service cost	23D	23,290	15,430
Administrative expenses and taxes	23D	1,090	820
		24 380	16 250
Total I&E expenses		113,750	68,480
Less employer contributions			
- Employer contributions BTPFSF	23B	19,120	18,990

- Employer contributions RPS (including BRASS* matching)
Total employer contributions

23B

8,090	6,090
27,210	25,080
86,540	43,400

(*): British Rail Additional Superannuation Scheme (BRASS).

23 British Transport Police Force Superannuation Fund

A Change in defined benefit obligation

Defined benefit obligation at end of the prior year
Current service cost
Interest expense
Cash flows
- Benefits payments from plan
- Participant contributions
Remeasurements
- Effect of changes in financial assumptions
- Effect on changes in demographic assumptions
- Effect of experience adjustments

2021/22 £000	2020/21 £000
2,418,447	1,818,637
86,710	49,610
46,730	41,340
(57,130)	(55,730)
12,760	12,640
(101,070)	579,860
(2,040)	(1,800)
8,965	(26,110)
2,413,372	2,418,447

Defined benefit obligation at end of year

B Changes in fair value of plan assets

Fair value of plan assets at end of the prior year
Interest Income
Cash flows
- Employer contributions
- Government support payments
- Participant contributions
- Benefits payments from plan
- Administrative expenses paid from plan assets
Return on plan assets (excluding interest income)

2021/22 £000	2020/21 £000
1,572,051	1,338,770
30,380	30,480
19,120	18,990
-	-
12,760	12,640
(57,130)	(55,730)
(2,660)	(2,620)
111,140	229,521
1,685,661	1,572,051

Fair value of plan assets at end of year

C Amounts recognised in the SoFP

Defined benefit obligation
Fair value of plan assets
Net liability

2021/22 £000	2020/21 £000
2,413,372	2,418,447
(1 685 661)	(1 572 051)
727,711	846,396

D Components of defined benefit cost

Service Cost
- Current service cost

2021/22 £000	2020/21 £000
86,710	49,610

Total service cost

86,710 **49,610**

Net interest cost
- interest expense on defined benefit obligation
- interest (income) on plan assets

46,730	41,340
(30,380)	(30,480)

Total net interest cost

16,350 **10,860**

Administrative expenses and taxes

2,660 2,620

Defined benefit cost included in the SoCI

105,720 **63,090**

Remeasurements (recognised in OCI)
- Effect on changes in demographic assumptions
- Effect of changes in financial assumptions
- Effect of experience adjustments
- Return on plan assets (excluding interest income)

(2,040)	(1,800)
(101,070)	579,860
8,965	(26,110)
(111,140)	(229,521)

Total remeasurements included in OCI

(205,285) **322,429**

Total defined benefit cost recognised in SoCI and OCI

(99,565) **385,519**

The Authority expects the service cost for the year ending 31 March 2023 to be £81.91 million (31 March 2022: £86.71 million).

E Net defined benefit liability (asset) reconciliation

	2021/22 £000	2020/21 £000
Opening net defined benefit liability (asset)	846,396	479,867
Defined benefit cost included in the SoCI	105,720	63,090
Total remeasurements included in OCI	(205,285)	322,429
Employer contributions	(19,120)	(18,990)
Net defined benefit liability (asset) as of end of year	727,711	846,396

The liability has decreased from 2020/21, primarily based on the increase in discount rate as detailed in note 23H.

F Defined benefit obligation

	2021/22 £000	2020/21 £000
Defined benefit obligation by participant status		
- Actives	1,182,571	1,111,080
- Vested deferreds	159,216	168,460
- Retirees	1,071,585	1,138,907
Total	2,413,372	2,418,447

G Analysis of scheme assets:

Unitisation:
The asset values disclosed reflect BTPA's exposure to underlying asset classes through holdings of units of the pooled funds in which the underlying assets are held. Underlying assets are managed by the pension administrator, Railpen and the control over economic benefits for BTPA's established through the unitisation of those funds. The table below has been used to illustrate the underlying assets proportional to BTPA's unit holdings in various pooled funds, and their position in the fair value hierarchy of the underlying assets. Level 1 and 2 assets include diversified Exchange Traded Funds valued at open trading prices; the Level 3 include property, private equity and non-exchange-traded Pooled Investment Vehicles equity. This is discussed below and relates to illiquid direct property and equity held directly within Railpen pooled funds.

British Transport Police Force Superannuation Fund	Fair value	2021/22			2020/21
		Level 1 £ million	Level 2 £ million	Level 3 £ million	Total £ million
Private equity and non-exchange -traded Pooled Investment Vehicles	-	-	-	458.67	458.67
Equities	826.44	-	-	34.04	860.48
Cash and current assets	125.54	-	-	-	125.54
Fixed Interest Securities	56.64	7.97	4.41	-	69.02
Index Linked Securities	75.86	1.03	-	-	76.89
Derivatives- Future	(0.07)	-	-	-	(0.07)
Derivatives- FX Contracts	-	-	-	-	-
UK Property	-	-	21.89	-	21.89
Pooled Investment Vehicles	-	73.23	-	-	73.23
Other	-	-	-	-	-
Fair value of plan assets	1,084.41	82.23	519.01	1,685.65	1,572.05
Present value of funded obligations				(2,413.37)	(2,418.45)
Net liability				(727.72)	(846.40)

*In 2020-21, the scheme assets included level 3 investments of £468.18m private equity and non-exchange traded Pooled Investment Vehicles, £21.37m in equities, £5.13m fixed interest securities and £100.6m in Property. The total value of level 3 investments accounted for 30.8% of the total scheme assets held.

*The figures in the table may not sum due to rounding.

Due to the nature of the Level 3 asset class there is inherent uncertainty in the valuation. The table below illustrates the impact of a 5% change across specific Level 3 asset classes and the total asset portfolio for each scheme

British Transport Police Force Superannuation Fund	change in asset class value	percentage change in total value of plan assets	2021/22 Change in deficit £million
Private equity and non-exchange- traded Pooled Investment Vehicles	+5%	1.36%	(22.93)
	-5%	-1.36%	22.93
UK Property	+5%	0.06%	(1.09)
	-5%	-0.06%	1.09
Total plan assets	+5%	5.00%	(84.28)
	-5%	-5.00%	84.28

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H Significant actuarial assumptions

Weighted average assumptions to determine benefit obligations

	2021/22	2020/21
Discount rate	2.60%	1.95%
Rate of price inflation (RPI)^	3.50%	3.15%
Rate of price inflation (CPI)^	3.15%	2.75%
Rate of increase in salaries*	3.15%	2.75%
Rate of pension increases	3.15%	2.75%

* Salary increase assumptions has remained in line with an initial best estimate of salary increases for a period of time and then in line with inflation thereafter. Therefore, allowance has been made for short term pay increases of 3.00% for each year of the 5 years following the measurement date. The inflation used after the initial period has been based on CPI over the year. This represents a change in best estimate long term increases. At both measurement dates, a promotional scale is applied in addition to the rate of salary increases shown above.

^ The actuarial model uses both RPI and CPI. RPI is used to estimate price increases whilst CPI is used to estimate benefit increases. On 4 September 2019, the UK Government announced that it would consult on the UK Statistics Authority's proposals to align RPI with CPIH by 2030. On 25 November 2020, HM Treasury and the UK Statistics Authority released their joint response in relation to the consultation on the reform of the RPI methodology. This confirmed that the RPI index will be aligned with the CPIH index from February 2030, which is similar in construction and calculation to the CPI index. To reflect this, BTPA has changed the derivation of the CPI inflation assumption to be 1% p.a. lower than RPI inflation for the period up to 2030 and 0% p.a. lower than RPI inflation for the period from 2030. This leads to a single equivalent deduction of 0.35% p.a. from the RPI inflation assumption to derive the CPI inflation assumption.

The total impact of the change in RPI-CPI wedge is the sum of the inflation sensitivities for each scheme where there was a 50 basis point decrease in price inflation amounting to £263m. £214m of this relates to British Transport Police Force Superannuation Fund and £49m relates to Railway Pension Scheme.

Assumed life expectations on retirement at age 65

	2021/22	2020/21
Retiring today - Males	22.3	22.3
Retiring today - Females	24.7	24.6
Retiring in 20 years time - Males	23.6	23.6
Retiring in 20 years time - Females	26.1	26.1

Expected future benefit payments from the BTPFSF, based on data from the formal valuation and the 31 March 2022 IAS 19

	2021/22 £ million	2020/21 £ million
Benefits expected to be paid with 12 months	59.0	56.5
Benefits expected to be paid between 2 to 3 years	122.0	115.2
Benefits expected to be paid between 4 to 6 years	200.0	187.3
Benefits expected to be paid between 7 to 10 years	292.0	270.6
Benefits expected to be paid between 11 to 15 years	413.0	373.0
Benefits expected to be paid in over 15 years	3,520.0	2,912.9

I Sensitivity Analysis

The below table shows the impact of changes to assumptions to the net pension deficit

		2021/22 £ million	2020/21 £ million
Net liability (asset), excluding any effect of asset limit		727.71	846.40
Base			
Discount rate			
- Discount rate - 25 basis points		136.74	141.04
- Assumption		2.35%	1.70%
- Discount rate + 25 basis points		(126.10)	(129.85)
- Assumption		2.85%	2.20%
Inflation rate			
- Inflation rate - 50 basis points	(48.72)	(213.90)	(199.60)
- Assumption		2.65%	2.25%
- Inflation rate + 50 basis points		241.57	224.22
- Assumption		3.65%	3.25%
Mortality			
- Mortality		89.26	96.12
- Assumption		Plus one year age rating	Plus one year age rating

Further details on sensitivity can be found in the table below:

£ million	Sensitivities from Base Financial Year (FY) 2022 (one item changed with all other things held constant)
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Analysis of net SoFP

Fair value of scheme assets
Present value of benefit obligations
Net liability (asset), excluding any effect of asset limit

FY 2021	Base FY 2022	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate	Mortality sensitivity
1,572.05	1,685.65	1,685.65	1,685.65	1,685.65	1,685.65	1,685.65
2,418.45	2,413.37	2,550.11	2,287.27	2,199.48	2,654.94	2,502.63
846.40	727.72	864.46	601.62	513.83	969.29	816.98

Analysis of projected pension cost

Current service cost
Interest cost
Interest income on scheme assets
Administrative expenses and taxes
Total pension cost before asset limit

£ million		Sensitivities from Base FY 2022 (one item changed with all other things held constant)					Mortality sensitivity
Actual FY 2022	Base FY 2023	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate		
86.71	81.91	89.75	76.85	72.54	95.51		85.45
46.73	62.18	59.41	64.56	56.61	68.45		64.50
30.38	(43.47)	(39.29)	(47.65)	(43.47)	(43.47)		(43.47)
2.66	2.66	2.66	2.66	2.66	2.66		2.66
166.48	103.28	112.53	96.42	88.34	123.15		109.14

Actuarial assumptions

Discount rate
Rate of RPI assumption
Rate of CPI assumption
Rate of salary increase*
Rate of pension increase

FY 2021	Base FY 2022	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate	Mortality sensitivity
1.95%	2.60%	2.35%	2.85%	2.60%	2.60%	2.60%
3.15%	3.50%	3.50%	3.50%	3.00%	4.00%	3.50%
2.75%	3.15%	3.15%	3.15%	2.65%	3.65%	3.15%
2.75%	3.15%	3.15%	3.15%	2.65%*	3.65%*	3.15%
2.75%	3.15%	3.15%	3.15%	2.65%*	3.65%*	3.15%

Mortality Table

In line with the actuarial valuation as at 31 December 2018 but using the 2020 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2%

In line with the actuarial valuation as at 31 December 2018 but using the 2021 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2%

In line with the actuarial valuation as at 31 December 2018 but using the 2021 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2% plus a one year age rating

Notes: All figures are in millions. These initial pension expense forecasts are highly sensitive to changes in market conditions and should not be relied upon without further advice.
* Allowance has been made for short term pay increases of 3% for the first five years following the measurement date. Then increases at the assumed rate of increase in salaries thereafter.

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British Transport Police Section of the Railways Pension Scheme

A Change in defined benefit obligation

	2021/22 £000	2020/21 £000
Defined benefit obligation at end of the prior year	410,490	274,160
Current service cost	23,290	15,430
Interest expense	7,990	6,290
Cash flows		
- Benefits payments from plan	(5,480)	(5,410)
- Participant contributions	4,240	4,050
Remeasurements		
- Effect of changes in financial assumptions	(11,140)	111,800
- Effect of experience adjustments	(511)	6,060
- Effect on changes in demographic assumptions	1,000	(1,890)
Defined benefit obligation at end of year	429,879	410,490

B Changes in the fair value of plan assets are as follows:

	2021/22 £000	2020/21 £000
Fair value of plan assets at end of the prior year	217,761	174,700
Interest Income	4,310	4,060
Cash flows		
- Employer contribution (including BRASS matching)	8,090	6,090
- Participant contributions	4,240	4,050
- Benefits payments from plan	(5,480)	(5,410)
- Administrative expenses paid from plan assets	(1,090)	(820)
Return on plan assets (excluding interest income)	17,250	35,091
Fair value of plan assets at end of year	245,081	217,761

C Amounts recognised in the SoFP

	2021/22 £000	2020/21 £000
Defined benefit obligation	429,879	410,490
Fair value of plan assets	(245,081)	(217,761)
Net liability	184,798	192,729

D Components of defined benefit cost

	2021/22 £000	2020/21 £000
Service Cost		
Current service cost	23,290	15,430
Total service cost	23,290	15,430
Net interest cost		
- interest expense on defined benefit obligation	7,990	6,290
- interest (income) on plan assets	(4,310)	(4,060)
Total net interest cost	3,680	2,230
Administrative expenses and taxes	1,090	820
Defined benefit cost included in the SoCI	28,060	18,480
Remeasurements (recognised in OCI)		
- Effect of changes in financial assumptions	(11,140)	111,800
- Effect of experience adjustments	(511)	6,060
- Return on plan assets (excluding interest income)	(17,250)	(35,091)
- Net measurement gains/(losses) - demographic	1,000	(1,890)
Effect of asset limitation and IAS minimum funding requirement	-	-
Effect of asset limitation and IAS minimum funding requirement	-	-
Total remeasurements included in OCI	(27,901)	80,879
Total defined benefit cost recognised in SoCI and OCI	159	99,359

The Authority expects the service cost for the year ending 31 March 2023 to be £23.60 million (31 March 2022: £23.29 million).

E Net defined benefit liability (asset) reconciliation

	2021/22 £000	2020/21 £000
Opening net defined benefit liability (asset)	192,729	99,460

Effect of changes in demographic assumptions	28,060	18,480
Total defined benefit cost recognised in the SoCI and OCI	(27,901)	80,879
Employer contributions	(8,090)	(6,090)
Net defined benefit liability (asset) as of end of year	184,798	192,729

The liability has decreased from 2020/21, primarily based on the increase in discount rate and inflation rate as detailed in note 23H.

F Defined benefit obligation

	2021/22 £000	2020/21 £000
Defined benefit obligation by participant status		
- Actives	237,005	205,600
- Vested deferreds	138,667	150,080
- Retirees	54,207	54,810
Total	429,879	410,490

G Analysis of scheme assets:

Unitisation:
The asset values disclosed reflect BTPA's exposure to underlying asset classes through holdings of units of the pooled funds in which the underlying assets are held. Underlying assets are managed by the pension administrator, Railpen and the control over economic benefits for BTPA's established through the unitisation of those funds. The table below has been used to illustrate the underlying assets proportional to BTPA's unit holdings in various pooled funds, and their position in the fair value hierarchy of the underlying assets. Level 1 and 2 assets include diversified Exchange Traded Funds valued at open trading prices; the Level 3 include property, private equity and non-exchange-traded Pooled Investment Vehicles equity. This is discussed below and relates to illiquid direct property and equity held directly within Railpen pooled funds.

Railway Pension Scheme	2021/22				2020/21
	Fair value				
	Level 1 £ million	Level 2 £ million	Level 3 £ million	Total £ million	Total £ million
Private equity and non-exchange -traded Pooled Investment Vehicles	-	-	61.24	61.24	62.82
Equities	131.59	-	5.33	136.92	98.47
Cash and current assets	19.21	-	-	19.21	24.89
Fixed Interest Securities	6.56	0.69	0.34	7.59	8.43
Index Linked Securities	6.77	-	-	6.77	7.60
Derivatives- Future	(0.01)	-	-	(0.01)	0.17
Derivatives- FX Contracts	-	-	-	-	-
UK Property	-	-	1.71	1.71	14.37
Pooled Investment Vehicles	-	11.66	-	11.66	1.01
Other	-	-	-	-	-
Fair value of plan assets	164.12	12.35	68.62	245.09	217.76
Present value of funded obligations				(429.88)	(410.49)
Net liability				(184.79)	(192.73)

*In 2020-21, the scheme assets included level 3 investments of £62.82m private equity and non-exchange traded pooled investment vehicles, £3.37m in equities, £0.40m fixed interest securities and £14.37m in Property.
The total value of level 3 investments accounted for 28% of the total scheme assets held.

*The figures in the table may not sum due to rounding.

Due to the nature of the Level 3 asset class there is inherent uncertainty in the valuation. The table below illustrates the impact of a 5% change across specific Level 3 asset classes and the total asset portfolio for each scheme

Railway Pension Scheme	Change in value	Percentage Change	2021/22 Change in deficit £million
Private equity and non-exchange- traded Pooled Investment Vehicles	+5% -5%	1.25% -1.25%	(3.06) 3.06
UK Property	+5% -5%	0.03% -0.03%	(0.09) 0.09
Total plan assets	+5% -5%	5.00% -5.00%	(12.25) 12.25

H Significant actuarial assumptions

Weighted average assumptions to determine benefit obligations	2021/22	2020/21
Discount rate	2.60%	1.95%
Rate of price inflation (RPI)^	3.50%	3.15%

Source
<https://www.ons.gov.uk/economy/inflationandpriceindices>

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Rate of price inflation (CPI)^	3.15%	2.75%
Rate of increase/(decreases) in salaries*	3.15%**	2.75%
Rate of pension increases	3.15%	2.75%

<https://www.ons.gov.uk/economy/inflationandpriceindices>
<https://www.statista.com/statistics/933075/wage-growth-in-the-uk/>
<https://www.gov.uk/government/publications/public-service-pensions-increases>

* Salary increase assumptions has remained in line with an initial best estimate of salary increases for a period of time and then in line with inflation thereafter. Therefore, allowance has been made for short term pay increases for each year of the 5 years following the measurement date. The inflation used after the initial period has been based on CPI over the year. This represents a change in best estimate long term increases. At both measurement dates, a promotional scale is applied in addition to the rate of salary increases shown above.

^ The actuarial model uses both RPI and CPI. RPI is used to estimate price increases whilst CPI is used to estimate benefit increases. On 4 September 2019, the UK Government announced that it would consult on the UK Statistics Authority's proposals to align RPI with CPIH by 2030. On 25 November 2020, HM Treasury and the UK Statistics Authority released their joint response in relation to the consultation on the reform of the RPI methodology. This confirmed that the RPI index will be aligned with the CPIH index from February 2030, which is similar in construction and calculation to the CPI index. To reflect this, BTPA has changed the derivation of the CPI inflation assumption to be 1% p.a. lower than RPI inflation for the period up to 2030 and 0% p.a. lower than RPI inflation for the period from 2030. This leads to a single equivalent deduction of 0.35% p.a. from the RPI inflation assumption to derive the CPI inflation assumption.

The total impact of the change in RPI-CPI wedge is the sum of the inflation sensitivities for each scheme where there was a 50 basis point decrease in price inflation amounting to £263m. £214m of this relates to British Transport Police Force Superannuation Fund and £49m relates to Railway Pension Scheme.

Assumed Life expectancies on retirement at age 65 are:

	2021/22	2020/21
Retiring today - Males	20.8	20.7
Retiring today - Females	23.0	22.9
Retiring in 20 years time - Males	22.1	22.0
Retiring in 20 years time - Females	24.5	24.5

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Expected future benefit payments from the fund, based on data from the 2019 formal valuation and the 31 March 2022 IAS 19 assumptions:

	2021/22 £ million	2020/21 £ million
Benefits expected to be paid with 12 months	5.00	5.00
Benefits expected to be paid between 2 to 3 years	16.00	13.00
Benefits expected to be paid between 4 to 6 years	30.00	24.00
Benefits expected to be paid between 7 to 10 years	50.00	41.00
Benefits expected to be paid between 11 to 15 years	78.00	66.00
Benefits expected to be paid in over 15 years	635.00	560.00

The below table shows the impact of changes to assumptions to the net pension deficit

I Sensitivity Analysis

Net liability (asset), excluding any effect of asset limit

	2021/22 £ million	2020/21 £ million
Base	184.80	192.73
Discount rate		
- Discount rate - 25 basis points	31.95	31.11
- Assumption	2.35%	1.70%
- Discount rate + 25 basis points	(29.30)	(28.49)
- Assumption	2.85%	2.20%
Inflation rate		
- Inflation rate - 50 basis points	(48.72)	(49.19)
- Assumption	3.00%	2.65%
- Inflation rate + 50 basis points	56.26	57.21
- Assumption	4.00%	3.65%
Mortality		
- Mortality	16.20	15.71
- Assumption	Plus one year age rating	Plus one year age rating

Further details on sensitivity can be found in the table below:

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Analysis of net SoFP

Fair value of scheme assets
Present value of benefit obligations
Net liability (asset), excluding any effect of asset limit

£ million		Sensitivities from Base Financial Year (FY) 2021 (one item changed with all other things held constant)					
	FY 2021	Base FY 2022	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate	Mortality sensitivity
	217.76	245.08	245.08	245.08	245.08	245.08	245.08
	410.49	429.88	461.83	400.58	381.16	486.14	446.08
	192.73	184.80	216.75	155.50	136.08	241.06	201.00

Analysis of projected pension cost

Current service cost
Interest cost
Interest income on scheme assets
Administrative expenses and taxes
Total pension cost before asset limit

£ million		Sensitivities from Base FY 2020 (one item changed with all other things held constant)					
	Actual FY 2022	Base FY 2023	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate	Mortality sensitivity
	23.29	23.60	25.25	21.04	20.02	26.53	24.04
	7.99	11.16	10.84	11.40	9.89	12.62	11.58
	(4.31)	(6.44)	(5.83)	(7.07)	(6.45)	(6.45)	(6.45)
	1.09	1.09	1.09	1.09	1.09	1.09	1.09
	28.06	29.41	31.35	26.46	24.55	33.79	30.26

Actuarial assumptions

Discount rate
Rate of RPI assumption
Rate of CPI assumption
Rate of increase in salaries

	FY 2021	Base FY 2022	Minus 0.25% discount rate	Plus 0.25% discount rate	Minus 0.5% inflation rate	Plus 0.5% inflation rate	Mortality sensitivity
	1.95%	2.60%	2.35%	2.85%	2.60%	2.60%	2.60%
	3.15%	3.50%	3.50%	3.50%	3.00%	4.00%	3.50%
	2.75%	3.15%	3.15%	3.15%	2.65%	3.65%	3.15%
	2.75%*	3.15%*	3.15%*	3.15%*	2.65%*	3.65%*	3.15%*

Mortality Table

In line with the actuarial valuation as at 31 December 2019 but using the 2020 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2%	In line with the results of the actuarial valuation as at 31 December 2019 but using the 2021 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2% from 2019 onwards	In line with the results of the actuarial valuation as at 31 December 2019 but using the 2021 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2% adjusted to give one year added life expectancy from 2019 onwards.
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Notes: All figures are in millions. These initial pension expense forecasts are highly sensitive to changes in market conditions and should not be relied upon without further advice.

* Allowance has been made for short term pay increases of 3% for the first five years following the measurement date. Then increases at the assumed rate of increase in salaries thereafter.
At both measurement dates, a promotional scale is applied in addition to the rate of salary increases shown above.

Impact of COVID-19

We are aware that our analysis may be affected by risks arising from the impact of the COVID-19 pandemic. Whilst the short term impact is more clearly understood this current year-end at this stage, the full impact of the COVID-19 pandemic in the long term remains uncertain until further evidence has been established. No margins have been applied to this analysis to reflect this risk.

Mortality assumptions

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Meeting Notes

Full Authority

Notes of draft Annual Report and Accounts 21/22 'walkthroughs' held on 13 June 2022 and 21 June 2022 via Microsoft Teams at 9.00am and 8.00am respectively.

Present:

13 June 2022

Ron Barclay Smith (Chair)
 Andy Cooper (Deputy Chair)
 Graham Evans
 Willie Gallagher
 Nick Hawkins
 Stewart Jackson
 Craig Mackey

21 June 2022

Fiona Brunskill
 Kenna Kintrea
 Martin Richards

Apologies:

Emir Feisal
 Mike Gallop
 Bill Matthews
 Bev Shears

In attendance:

13 June & 21 June 2022

Sarah Church (Chief Financial Officer & Deputy Chief Executive)
 Katie Stanton (Stakeholder Engagement and Communications Manager)
 Alistair MacLellan (Board Secretary / Notes)

1. The Chief Financial Officer briefed Members on the draft BTPA Annual Report and Accounts 2021/22 and the following points were made.
 - a. The draft report and accounts were undergoing continuing review and would be submitted to Audit and Risk Assurance Committee (23 June 2022) Full Authority (29 June 2022) and a further extraordinary meeting of Audit and Risk Assurance Committee (5 July 2022) for final approval. Significant changes made between the version members had at the time of the

walkthroughs, and the final version to be approved by the extraordinary ARAC, will be tracked and presented to members.

- b. The accounts continued to be audited by KPMG on behalf of National Audit Office. The NAO's Audit Completion Report would be considered by Audit and Risk Assurance Committee on 23 June 2022 albeit some aspects e.g. pension asset testing remained outstanding.
- c. The report had been drafted by the Executive's Finance, Audit and Risk Manager and submitted to the Force for review. This had proved more effective than previous practice of sections within the report being drafted by several report authors within the Force.
- d. Those involved in the preparation of the report had attended public sector reporting training in January 2022.
- e. Members were asked to ensure the detail of the Directors' Report was accurate.
- f. In previous years preparation of the Governance Statement had been complicated by the provision of an extensive report provided by the previous Chief Constable. For both 2020/21 and 2021/22 the process of drafting and reaching agreement on the Governance Statement had been replaced by collaborative engagement between Force, Executive and GIAA.
- g. The Authority had maintained its internal audit *Moderate* rating albeit risk management continued to be a challenge. GIAA recognised that strategic risk management had improved but more work remained on embedding operational risk management, particularly given a culture around centralisation of risk management rather than allocating management to specified risk owners.
- h. The risk management section was currently incomplete and would be updated to include technology and major incidents.
- i. The Authority has concluded, in consultation with the Chief Constable, not to explicitly highlight the isolated control issues discussed during the year i.e. contract variation for New Birmingham (Baskerville House) and Oracle Licenses renewal.
- j. The Authority had discussed with the National Audit Office the issues underpinning the approval of the Safer Streets app funding; and the retrospective approval for redundancies.
- k. Auditors had paid some attention to an issue identified by management involving IFRS16 (leases) where Force Estates Team had identified a deed of variation that had a potential £6m impact on the prior year numbers. NAO

had concluded that whilst this figure was material, it would not have misled readers of the 20/21 report given the scale of the balance sheet with regards to pensions and as a result, no prior year restatement was required.

- l. The Force's P14 finance report, which provided good background to how figures within the report were arrived at, would be highlighted with Members when it was published for Audit and Risk Assurance Committee (23 June 2022). The P14 report would in particular explain how a £1.3 overspend at P13 had changed to a significant net deficit in excess of £100m, due to IAS 19 pension accounting adjustments.
 - m. The Force's cashflow figure of £53m was a high one which merited a clear plan on how it would be effectively managed. Whereas the Force already had plans to utilise the figure, further consideration was required on how this money should be employed.
 - n. The Statement of Financial Position deserved some attention due to large increase in receivables due to an earlier London Underground payment.
 - o. Pension liability had decreased from £126m.
2. Members provided their queries and feedback on the draft document and the following points were made.
- a. The Chair of Audit and Risk Management Committee welcomed what was in her view a mature draft report and noted she would provide her substantive comments and Audit and Risk Committee (23 June 2022).
 - b. A Member queried the rationale underpinning the decision to disclose how many persons within Force/Authority were earning £100,000 or more and encouraged the Authority to ensure it was clear the decision served its intended messaging.
 - c. A Member welcomed the level of collaboration between Force and Executive in preparing the report and accounts.
 - d. A Member suggested a table showing Force headcount over the past five years be included.
 - e. A Member noted that the report had prompted a suggestion to review VAT within the Force.

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Report to: Full Authority
Agenda #: 7.1
Date: 29 June 2022
Subject: Mitigation of Outstanding Pressures
Author: Hugh Ind, CEO
For: Noting

1. Purpose of paper

- 1.1 To provide assurance to Members that there is potential mitigation for many of the potential financial pressures identified as being outside 'A Force on the Move'.

2. Background

- 2.1 At its meeting on 1 June, Strategy and Planning Committee took a paper asking for support for, and investment in, 'A Force on the Move' (paper attached as background for this meeting). That paper argued for investment in 'A Force on the Move' while noting that other financial pressures would remain. Those remaining pressures, mainly listed at paragraphs 5.11 and 5.12 of the original paper, amounted to £100m over the MTFP period. Details can be found at Annex A.
- 2.2 Members were concerned about that residual financial risk. The Minutes of the meeting recorded their request for 'a further developed and shared approach in respect of financing for items currently listed as outside the scope of BTPA funding. This would be to give the Authority confidence in how those remaining financial risks could be managed.'
- 2.3 This paper is a response to that request and proposes an agreed treatment for each potential pressure for now.

3. Proposed Treatment

3.1 London Estates

The lease on Force Headquarters expires at the end of 2024. No decisions are yet taken, but the current best estimate is that the move will require a (mostly

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capital) spend of £8.1m. DfT granted an increase in permitted capital cover in the Spending Review for this purpose. DfT have not provided the cash yet. But they did so for the 21/22 move into Baskerville House in Birmingham, and they know a request will be forthcoming for London. Failing that, at current levels, it is reasonable to assess that BTPA Reserves could support this level of investment.

3.2 Vehicle Fleet Electrification

Aggressive pursuit of total electrification of the BTP Fleet by April 2025 would put BTP at the forefront of policing in the use of EVs as may befit their status as DfT's only police force. To do so, though, would cost an extra £19.8m in 23/24-24/25 above the costs of planned cyclical vehicle replacement. We believe there is a reasonable chance of significant help from DfT towards this objective – the case is already with the Dept. Should none or not all of these funds be available, our fallback position would involve a slower roll out of Electric Vehicles within BTP.

3.3 Emergency Services Network

ESN is a much-delayed Home Office-led programme to move away from the current radio system for emergency services. The programme will involve a complete change in the communications platform, the radio handsets and the infrastructure linking control rooms and partners throughout the network. The best estimate is for a £29.5m cost to BTP spread mostly in 24/25-26/27. There will be no choice but to use ESN when it comes.

In 2015, DfT decided not to contribute to the development of the ESN programme, thereby determining that BTP would need to pay more when the solution was delivered. On that basis, and assuming other potential sources are exhausted first, it is not unreasonable to plan on the basis that increased costs will be charged to the rail industry when the solution is delivered.

3.4 IT – 'Fixing the Fundamentals'

The second two years of the plan to fix the fundamentals of the IT provision are assessed as a £4.5m cost over 23/24–24/25. The nature and scale of this likely need means it should be considered as part of the MTFP process at the end of this calendar year.

3.5 Strategic Drones

BTP highlight a potential need for £5m to spend on drones between 2023-6. At this stage, further work is needed on a business case and the possibilities for

partnership working will be further explored. No special treatment for this potential future need is required at this point.

3.6 ADI, Matroid, LTR : Live Situational Awareness and Identification Capabilities

This programme represents a collection of innovative ‘situational awareness’ technologies on which BTP is working to develop use cases through pilot evaluations in partnership with industry. An indicative need for £3m between 23/24–26/27 is assessed at this stage, which requires no special treatment for now.

3.7 CCTV Enhancement

This proposal would cost £29m over 23/24-26/27. It aims to enhance the existing investment made by BTP in partnership with industry into the CCTV hub capability at Ebury Bridge by:

- Increasing camera access from the current 25% to 75% networked live and review rail transport CCTV
- Introducing CCTV on critical lines of route
- Introducing applications to overlay the CCTV footage and analyse it to detect suspect or vulnerable persons to share footage and images through the cloud and make CCTV mobile accessible to officers.

This programme has not found favour at successive Spending Reviews. It is assessed that the benefits available would be industry wide and efforts should continue to press for industry wide financial support. BTP/A alone are not likely to be able to fund this scale of investment.

3.8 Cost of Living – recruitment/retention ‘arms race’

The current cost of living crisis alongside the ongoing 20,000 ‘uplift’ programme for Home Office policing are placing strains on BTPA as an employer. The Chief Constable has undertaken to bring to People and Culture Committee in July her proposals for addressing this risk. This is likely to crystallise as an in-year pressure which continues throughout the MTFP. For the purposes of this note, it is enough to record a potential further unquantified pressure on the MTFP.

3.9 Other Unquantified Pressures

The BTP paper for Strategy and Planning Committee listed other potential unquantified pressures outside A Force on the Move, but likely to arrive in the MTFP period from :

- PEQF – specifically the introduction of Police Constable Degree Apprenticeships
- Vision and Proposals from a new Director of Data, Digital and Technology

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- Technology : general risk of emerging additional demands
- Net Carbon Zero investment

At this stage our proposal is simply to recognise these potential future pressures over the MTFP period accepting that spending on A Force on the Move along with that on any of the other pressures listed in this document will reduce BTPA's ability to meet those needs should they materialize.

4. Recommendation

- 4.1 Members are invited to note the proposed treatment of all these financial pressures and to accept that contains sufficient reassurance to permit Members to consider the funding of 'A Force on the Move' for 22/23. Noting that the next MTFP process will allow an updated review of 'A Force on the Move' funding, the pressures in this note and progress on the identification of further efficiencies.

Annex A

Quantified MTFP pressures outside A Force on the Move

		2023/24	2024/25	2025/26	2026/27	Total
	Project	£m	£m	£m	£m	£m
	London Estates	3.4	4.7	0.0	0.0	8.1
	Vehicle Fleet Electrification	10.1	9.7	0.0	0.0	19.8
	ESN	0.8	14.8	7.1	6.9	29.5
	Technology "Fixing the Fundamentals"	2.3	2.2	0.0	0.0	4.5
	Strategic Drones	1.5	1.5	2.0	0.0	5.0
	ADI, Matroid etc	0.8	0.8	0.8	0.8	3.0
	CCTV enhancements	4.9	8.3	7.9	8.3	29.4
Total		23.7	41.9	17.7	16.0	99.3

Report to: Authority
 Agenda #: 7.2
 Date: 29 June 2022
 Subject: 22/23 Funding of 'A Force on the Move'
 Sponsor: Hugh Ind - CEO
 Author: Sarah Church - CFO
 For: Endorsement

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1. Purpose of paper

- 1.1 To provide members with an update on the current 22/23 financial position within the context of BTP's plans for investment in 'A Force on the Move'.
- 1.2 To gain approval from members on a way forward for the current financial year such that BTP can continue with their planned AFOTM activity.

2. Background

- 2.1 A paper was presented by BTP to Strategy and Planning Committee on 1 June, asking for support for, and investment in, the 5 year 'A Force on the Move' programme (paper attached as background for this meeting).
- 2.2 The paper argued for investment in 'A Force on the Move' while noting that other financial pressures amounting to approximately £100m would remain. The paper presented at item 7.1 of this Committee agenda serves to outline a shared approach in respect of future financing for items.
- 2.3 In addition to the quantifiable financial pressures noted above, the AFOTM paper presented at SPC also referred to other pressures outside of the programme which were not yet quantified. Given these, and the growing pressures on finances as a result of the worsening external economic environment, a more detailed cash profiling analysis was requested to gain a more complete picture over the future spend profile and cash forecasts and thus a better understanding of the pressures on cash reserves.
- 2.4 This paper proposes a short-term way forward based on the work that has been completed and the risks that remain at this time.

3. Cash Reserves

- 3.1 As at the end of the 21/22 financial year, the BTPA fund had a total cash and cash equivalents balance of £53.3m. Although this doesn't all translate into cash available to spend, this does represent a significant cash balance accrued over a number of years which requires careful management.

- 3.2 An update on the cash reserves position was presented to Audit Committee on 23rd June and is attached for reference. Members noted the latest cash position and the impact that had on the previously agreed minimum cashflow threshold calculation. Given the potential request for approval of the use of cash reserves at a later date, it is important to keep this updated. No approvals for drawdown were requested or provided in the meeting.
- 3.3 Based on the currently agreed more prudent working capital threshold, forecast cash balances suggest that there is a maximum of £25.8m available for investment. This increases to £33.6m in a second calculation of the minimum required working capital threshold where slightly less prudence is applied. This remains an option to be considered. It is important to note that various assumptions have been applied in these calculations which will need to be revisited when decisions on the drawdown of cash reserves are to be made.

4. 22/23 Current financial position

- 4.1 The 22/23 budget is £347.5m. As explained in agenda item 8, we now understand that this is overstated by up to £4m as a result of a pay miscalculation in the MTPF process. The paper explains the opportunity to offset a potential higher than assumed pay award (possibly 3.5% against an assumption of 2%) against this balance.
- 4.2 As at P2, there was a YTD underspend of just under £1.5m due to a high level of vacancies. However, it is still extremely early in the year, with a Q1 (P4) actuals position and updated full year forecast not expected until much later in July. We are already aware of in-year pressures which will cause the financial position to shift such as the accelerated recruitment programme, increasing utilities and fuel inflation and the IT Fixing the Fundamentals activity.

5. AFOTM – the financial ask

- 5.1 **Revenue** - The current AFOTM plan suggests a total *revenue* cost of £41.7m over the 5 years 22/23 – 26/27. Funding through existing cost provision in the MTFP for project work (£18.9m) plus the utilisation of the cash benefits as they are realised throughout the 5 year period (£18.6m), mean that the AFOTM programme has a net shortfall, and therefore a possible call on reserves funding, of £4.8m net. Cash usage would peak in 23/24 at £12m. On a revenue basis, the programme is expected to break-even in year 6 (27/28).
- 5.2 **Capital** – BTP currently has an annual cyclical replacement budget of £12.1m. The AFOTM programme makes use of this existing budget through reallocation and reprioritisation, but it is estimated that an additional £0.9m per annum will be required. This totals an additional cash requirement of £4.5m over the 5 years. Given the size of the capital control total currently delegated by DfT and the likely need to reprofile some of the spend outside of AFOTM (such as London Estates), it is anticipated that the £0.9m annual increase in capital spend can be absorbed within the existing capital control total.

- 5.3 **London Estate** – The paper at agenda item 7.1 explains the planned approach for funding a London Estates move. However, should that ultimately require a call on reserves, the current estimated cost is £8.1m.
- 5.4 **Summary of the above** – in cash terms, should cash reserves be required to fund all of the above, the cashflow profile analysis *as it stands* at the moment could withstand this level of investment (please note the ‘Risks’ section below). Should a reserves drawdown be required for the Revenue spend, the incremental capital spend *and* London Estates cash usage would peak at £22.7m in 24/25.

6. Risks

- 6.1 There are a number of factors, some already mentioned, which suggest that, at this point in time, it is too early to approve a full 5-year funding proposal given their potential to have a significant impact on the in-year forecast and/or next version of the MTFP:
- It is so early on in the year that we have not yet seen one quarter’s results, nor has it been possible to produce an updated full year forecast. This means that we do not yet have visibility over the potential impact of known in-year pressures such as the IT Fixing the Fundamentals, the accelerated recruitment plan, inflationary pressures, and how these may or may not offset underspends in pay as a result of high levels of vacancies in the early part of the year.
 - We do not yet know the outcome of the pay award, which could see a further in year pressure as well as in future years. The cashflow profiling which has currently been performed assumes that any pay uplift is passed to industry through an increase in charges.
 - The current cost of living crisis is causing inflationary pressures on utilities and pay. We know this is having an impact on current year costs but we need to consider if the assumptions in the MTFP need to be updated.
 - There is an emerging salary price “arms race” between MPS and surrounding forces. The Chief Constable has committed to bring a recruitment and retention plan to the People Committee in July, which is expected to have a cost attached to it.
 - There are a handful of other financial pressures outlined in agenda item 7.1 which are not yet quantified. We need to build estimated costs where possible into the forecasts/MTFP as these too may present a pressure on reserves.
 - Agenda item 7.1 proposes potential mitigation for a number of quantified pressures totalling £100m identified as being outside of AFOTM. One of these is ESN, where £15m of the total £30m cost is estimated to fall in 24/25 which is the same year that the drawdown on reserves would peak for AFOTM (para 5.4). Although there is every possibility that implementation will slip

again past this timeframe, should there be a need to fund all or part of ESN through reserves there is a risk that there is insufficient cash to fund this and AFOTM investment.

- Decisions yet to be made around treatment of the 21/22 overspend, the pay miscalculation and possible changes in the annual leave accrual will all have an impact on cash.
- DfT have engaged with BTP/A on their efficiency agenda. This discussion is ongoing but there is more work to do in producing a coherent and persuasive narrative on our efficiency plans. In the absence of that, there remains a risk DfT or others may seek to impose some form of arbitrary cap on our charges in a future year(s).

7. Based on the factors outlined in this paper, it is recommended that Members endorse the following:

- 7.1 That BTP should proceed with their plans for 22/23 AFOTM activity, noting that it is currently expected that much of this cost will be absorbed through budget underspends as a result of the recruitment and retention challenges.
- 7.2 That in proceeding with the investment plans for 22/23, the spend is subject to the AFOTM governance arrangements (see Appendix A) and approvals as laid out in the Code of Governance.
- 7.3 That quarterly financial results and forecasts should be provided to the Executive as early as possible such that the point at which the 22/23 budget is likely to be exceeded in the year (should that be the case) can be identified and funding implications can be considered by the Authority.
- 7.4 That should the 22/23 spend exceed budget as a result of the planned AFOTM investment, that members will look favourably on funding this investment from Cash Reserves – subject to a clear understanding of, and confidence in, delivery of the benefits.
- 7.5 That the incremental capital spend estimated to be required for AFOTM in 22/23 can be absorbed through the current capital budget control total delegated by DfT and hence no additional request to DfT needs to be made.
- 7.6 That decisions over the funding of AFOTM investment and thus cash reserves in future years is deferred until at least the completion of the MTFP planning to allow for a complete analysis and quantification of cost pressures currently sitting outside of the current MTFP and AFOTM programme (as outlined in agenda item 7.1 and section 6 of this paper).

A Force on the Move

Portfolio Governance

AUTHOR:	Heath Waller
DATE:	20 June 2022
CLASSIFICATION:	OFFICIAL

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A Force on the Move - Governance



Report to: Full Authority
 Agenda #: 8
 Date: 29 June 2022
 Subject: MTFP 22/23: Forecast Pay Miscalculation
 Author: Hugh Ind, CEO
 For: Noting/Comment

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1. Purpose of paper

- 1.1 This note draws to Members' attention that an error was made in the calculation of last year's MTFP. The attached note (Appendix A) from Tracey Martin of BTP explains the error. BTP told the Chair and me of this error in April of this year, following up with the attached written explanation in May.

2. Point of Clarification

- 2.1 A key number to focus on is the £3.2m identified at paragraph 2.1 and which relates to our Police Service Agreements. Charges to TfL, EPSAs and Grants usually relate to actuals only, so we will not in practice have overcharged on these income streams in 22/23. However, the error does mean we will recoup £3.2m more from most PSA holders than we should have planned to during 22/23. This is £3.2m (1.3%) of £243m charged out by that mechanism this year.

3. Proposed Next Steps

- 3.1 It is likely that a proportion of the extra £3.2m collected via this error during 22/23 will be netted off by the 'error' we also made in the MTFP in assuming a 2% pay rise for 22/23. This 2% is likely to understate the true pay award. You may recall that every 1% increase in the pay award requires around £3m to fund for a full year. Once the pay award is known (July/August this year) we will be clearer of the net impact of these two 'errors' in calculating the 22/23 pay budget.
- 3.2 Depending on the net impact of these two 'errors', we will provide further advice to Members. Options could include

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- refunding the balance in year (by virtue of reductions to outstanding direct debits)
- refunding the balance during 23/4 (by top slicing the amount we charge to affected PSA holders)
- refunding the balance in 24/5 (this would be our normal process after the books have been fully closed on 22/23)
- retaining any small balance to aid other pressures, current or future.

3.3 Our current best guesstimate is that the net excess charged to PSA holders from these errors this year will not have exceeded £1.5m. That is 0.6% of the total charged to affected PSA holders. This amount is well within the normal margin of over or underspend the BTP Fund sees. For comparison, in 22/23, £1.7m was subtracted from the total charges to affected PSA holders due to underspends in 20/21. As such, the risks now seem as much presentational as financial. There is no question that we can find a way to ensure PSA holders recoup these funds over a period. But a reputational issue may arise from those who hear of this and object that we have held even as much as £1.5m in the meantime.

4. Recommendation

4.1 Members are invited to note this development and its implications and to offer any comment prior to reaching a decision in the autumn once the 22/23 pay award is known.

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Appendix A

Report to: BTPA
Date of meeting: May 2022
Subject: MTFP 2022/23 Logic Flaw
COG Sponsor: Tracey Martin, Director of Finance & Commercial
Author: Richard Dronfield, Deputy Director, Decision Support
For: Noting

1. PURPOSE OF PAPER

- 1.1 To appraise BTPA of a logic issue that arose during the MTFP process, which has resulted in the MTFP being overstated, and seek views regarding the management of the issue in both financial and reputational terms. To note that COG have been fully briefed.

2. BACKGROUND

- 2.1 The MTFP submission to BTPA in November 2021 included a logic flaw. This flaw resulted in the establishment model output overstating pay costs for 2022/23 onwards by a total of £4.0m (with the impact continuing in each year of the MTFP). Of this:
- £3.2m relates to the PSA
 - £0.5m relates to TfL
 - £0.3m relates to EPSAs and Grants.
- 2.2 BTP use a complex establishment model to cost and set our pay budget. This model was built by a professional data modeller and has been used for the last few years. It costs individuals using actual current costs and models in the impacts of pay inflation, spine points (where the individual is due these) and churn. It has performed exceptionally well in 20/21 and 21/22 achieving close to 100% accuracy on price.
- 2.3 BTP uses a similar model for forecasting in-year.
- 2.4 Officers, Staff and PCSOs receive annual spine point increases each year up to a maximum number (which is normally, but not always, 7 years). After this time the individual receives no further spine point increases. For information 58% of Officers, 23% of PCSOs and 40% of Staff will be at the top of scale in 22/23 and will therefore receive no spine point increase.
- 2.5 Officer spine points are increased on the anniversary of joining or promotion to the current rank. Staff and PCSO spine points increase on the 1st July each year.

3. HOW THE LOGIC FLAW AROSE

- 3.1 The establishment model is designed to create a budget for the following financial year. In doing so it takes March pay averages from one year to set a pay budget from April to March the following financial year. In doing so it adds pay inflation (0% in 21/22 and planned 2% in 22/23) and spine points where the individual is due these.
- 3.2 In costing the MTFP for 2022/23 to 2026/27 the establishment model was used to cost pay as had been the case for the previous year. This would have been very accurate using the March 2021 pay actuals. However, in an attempt to use the latest pay actuals, the decision was made to use the July 2021 pay data. This decision or assumption was flawed as it resulted in double counting the spine point increases for those people who had already received them up to the July payroll. The model was unable to distinguish between someone still due their spine point increase and those that had already received them – and therefore added a spine point to everyone not already at the top of spine. Regrettably, this was not identified as part of the MTFP submission.

4. HOW THE LOGIC FLAW WAS IDENTIFIED

- 4.1 Late in the financial year 21/22 our Finance Business Partner for Pay found that the model we used for forecasting pay in year was deviating from the actuals that we subsequently incurred. While this was a different issue that was fixed through an adjustment each period it was the impact of the way that the model treated spine points. It resulted in us undertaking a complete review of the models for forecasting and budgeting which identified this logic flaw in the MTFP submission.

5. LESSONS LEARNT

- 5.1 Having identified this issue we have learned the following lessons:
- The establishment model in its current state can only be used for future year budgeting when based on the previous March's pay actuals. This is ideal to underpin the budget load from April 2022 as the source data is only a few weeks old.
 - We need to find a way of eliminating this issue from the model that underpins the next MTFP submission. At present the solution is to use the March 2022 pay file as the input, although this data will be out of date by mid-summer as it would not include starters, leavers and promotions since March.
 - We need to consider both the technical solutions that we are building in our models as well as the underlying logic regarding inputs to these models to ensure that we don't make the same, or similar, errors in the future.
- 5.2 We are confident that we have controls in place to avoid any repetition.

6. MANAGING THIS ISSUE IN THE BUDGET

6.1 Members are requested to discuss the management of this issue both in financial and reputational terms. Until any decisions are made, the funding has been ringfenced and no commitments will be made against this. The options for the Authority are to return or retain funding. Should funding be retained, BTP has identified a number of pressures funding could be allocated to, predominately to mitigate risks outlined in the March 22 Authority meeting:

- Potential increases to the pay award above 2%
- Inflationary pressures for fuel and utilities
- Ongoing cleaning for Covid, where we have seen double digit % increases in cases
- To fund growth where we can articulate tangible benefit, such as the Technology posts
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Appendix 1 – examples of the spine point issue

			Actual position		What the incorrect Old Model did				Correct Treatment			
			2021/22		Old Model 2021/22		Old Model 2022/23		New Model 2022/23		Var	
Staff Type	Example Post		Before Increment	After Increment	Before Increment	After Increment	Before Increment	After Increment	Before Increment	After Increment		
PCSO - Spine Increase 1st July	BCECO0009	Spine Point	28	29	29	30	30	31	29	30		
PCSO - Spine Increase 1st July		Total Costs					34,875.40		33,797.58		1,077.82	
Police Staff - Increase 1st July	AFIB30018	Spine Point	64	65	65	66	66	67	65	66		
Police Staff - Increase 1st July		Total Costs					50,080.84		48,492.18		1,588.66	
Police Officer - Increase prior 30/07/21	CAMCCVPC9	Spine Point	01	02	02	03	03	04	02	03		
Police Officer - Increase prior 30/07/21		Total Costs					34,594.05		33,202.59		1,391.46	
Police Officer - Increase after 30/07/21	BSOPC0129	Spine Point	02	03	02	03	03	04	03	04		
Police Officer - Increase after 30/07/21		Total Costs					37,505.97		37,505.97		0.00	

Report to: Authority

Agenda #: 9.1

Date: 29 June 2022

Subject: Modernising Industry Charges – Principles for Change

Sponsor: Chief Financial Officer

Author: Finance Business Partner - Charging

For: Discussion and endorsement

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1. Purpose of paper

- 1.1 The purpose of this paper is to discuss and gain agreement on the high-level principles by which a new methodology to defray BTPA costs will be designed, developed and implemented and to seek endorsement from Members to continue the current direction of travel.

2. Background

- 2.1 The current Cost Allocation Model was first introduced in 2007/08 and is a very complex model producing volatile outputs resulting in uncertainty and unpredictability for the operators. Furthermore, the changes in operational environment cannot be fairly and accurately reflected in this model deeming it no longer fit for purpose.
- 2.2 An overview of the model was provided to members in the breakfast briefing held on 23 February 2022 and a slide deck that was presented at a later date to DfT in relation reviewing the model is attached for additional information. A further briefing can be arranged for members if requested to provide further explanation of the complexities and challenges of the current model.

3. Principles for new methodology

- 3.1 The key principle that any future charging methodology must adhere to is the legislative requirement set out in Section 33 (4) of the Railways and Transport Safety Act 2003 (Appendix 1) that requires the Authority to: -
 - Defray its costs
 - Ensure that the charges approximately reflect the nature and extent of the service received by the operators
- 3.2 The new methodology will also need to follow the below high-level principles:-
 - Simplification whilst remaining aligned with legislation
 - Reduced volatility, both in-year and year-to-year
 - Predictability and consistency
 - Based on meaningful and available information
 - Equitable to all operators

- Scalable to ensure all new and varied operators can be easily accommodated

- 3.3 There is still uncertainty around GBR especially in respect of the funding, hence any new charging methodology introduced must be simple to justify its introduction as it is likely to only be in use for 2 - 3 years.
- 3.4 BTPA Executive are aiming to have the new methodology in place for the calculation of the 2024/25 PSA charges to make the change worthwhile.

4. Progress to date

- 4.1 BTPA Executive have held two meetings with interested parties within DfT where BTPA highlighted the current issues and limitations of the current Cost Allocation Model. Discussions also included outlining the key principles that would be used to underpin the development of a new charging methodology and what characteristics should be considered. DfT understand and appreciate why the current methodology is no longer fit for purpose and hence supports the need for change.
- 4.2 Research has started into what existing models are used within the rail industry and whether they could be leveraged and adapted for BTPA requirements; this includes Network Rail, ORR and RSSB.

5. Current Next Steps

- 5.1 Further research into other methodologies, for example, RDG, DVLA, Home Office Police Force funding and Rail Ombudsman (membership and case fee system).
- 5.2 Form a BTPA working group made up of Authority Members where potential options can be discussed and tested. This group could also form the core membership of a wider steering group where options could be tested with interested parties prior to any formal consultation.
- 5.3 Develop 3 to 5 charging options that would then be tested and shared with the Authority and DfT for review and discussion.
- 5.4 BTPA to develop a comprehensive consultation and stakeholder engagement plan. This will include a submission to the DfT SRO Operational Advisory Panel (SOAP) board. SOAP is a DfT governance board within Passenger Services who review and endorse proposed changes to policy that would impact the railway. The panel include representatives from HM Treasury, Passenger Services and Network Rail.

6. Recommendations

- 6.1 For the Members to: -
- Endorse and approve the direction of travel and high-level principles set out in Section 3.
 - Endorse the next steps set out in Section 5.

Appendix 1

Railways and Transport Safety Act 2003 (Section 33)¹

33 Police services agreement

(1) The Authority may enter into an agreement under this section (to be known as a police services agreement) with any person ("the customer") which provides—

(a) for the Police Force to police a railway or railway property in connection with which the customer provides railways services, in accordance with the objectives, plans, targets and directions set under sections 50 to 55,

(b) for the Police Force to provide such additional policing services as may be specified in the agreement, and

(c) for such incidental or ancillary matters as the parties think appropriate.

(2) The Authority may not enter into a police services agreement unless a draft is approved in writing by the Secretary of State.

(3) A police services agreement shall include provision requiring the customer to make payments to the Authority, which may be payments of—

(a) specified sums, or

(b) sums assessed in a specified manner (which may include reference to amounts paid, or expected to be paid, by the Authority).

(4) In determining the terms in a police services agreement of provision about payment the Authority shall aim to ensure that—

(a) in each financial year the expenses of the Authority, including those incurred in defraying the expenses of the Police Force, are as nearly as possible equivalent to the income of the Authority, and

(b) the amount of the contribution to the expenses of the Authority made by each customer in a financial year approximately reflects the nature and extent of the functions likely to be undertaken in that year in accordance with the customer's police service agreement.

(5) But subsection (4) does not prevent the Authority from setting a customer's contribution at a level which—

(a) reflects a surplus of income over expenses in a previous financial year (whether or not relating wholly or partly to functions carried out in respect of the customer);

(b) reflects a deficit in a previous financial year (whether or not relating wholly or partly to functions carried out in respect of the customer);

(c) reflects the need to reserve funds for contingencies.

¹ [Railways and Transport Safety Act 2003 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2003/31/section/33)

Report to: Full Authority
 Agenda #: 9.2
 Date: 29 June 2022
 Subject: Permanent Removal of the PSA wash-up process
 Sponsor: Hugh Ind – CEO, Sarah Church - CFO
 Author: Vicky Tanner – Contracts and Compliance Manager
 For: Endorsement / Approval

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1. Purpose of paper

- 1.1 To endorse the recommendation not to run/calculate the Police Service Agreement (PSA) wash-up charges for 21/22 and all future years for those operators currently charged via the cost allocation model (CAM) and who hold a core PSA with BTPA.
- 1.2 The approval would only be actioned once DfT approval has been provided and following the required consultation process with all operators.

2. Background

- 2.1 During 2021, BTPA consulted with its core PSA holders on the suspension of the wash-up process for the financial year 2020/21 only. This did not include TfL (London Underground core PSA) as their charges sit outside of the CAM. This decision was approved by both the Authority and DfT and provided a level of stability for the operators following a year of uncertainty and fall in passenger numbers due to Covid. The outcome of this consultation was, in the majority, positive.
- 2.2 For the purpose of the consultation, the PSA holders were split into three groups:
 - Group One – this group has our core PSA holders in. The majority of this group all signed a Deed of Amendment (DoA) agreeing to suspend the wash-up process for 2020/21. Two PSA holders – Arriva Rail London and Croydon Tramlink did not agree to sign.
 - Group Two – this group included Grand Central and Hull Trains, who are both open access operators. For these two operators it was agreed that BTPA would credit back 30% of their 2020/21 provisional charge due to the fact both operators suspended services for a significant period of time during 2020/21.
 - Group Three – this group included the two large freight operators – DB Cargo and Freightliner. A wash-up charge was

calculated for these two operators as their charges are calculated outside of the CAM.

- 2.3 As explained in the concluding paper presented to the Authority in March 2022, the outstanding DoAs do pose some level of risk as either Arriva Rail London or Croydon Tramlink could lodge a challenge with either BTPA or DfT that there has been a breach of their PSA. The risk of a future challenge is higher for Arriva Rail London, than from Croydon, however to date, there is no suggestion either party plan to pursue such a route.

3. Proposal / Next Steps

- 3.1 Due to the positive outcome of the first consultation, and to reduce the volatility of our charges for the PSA holders on an ongoing basis, it is proposed that the wash up charge process should be eliminated on a permanent basis from 2021/22 onwards. A further consultation will be required. This consultation will include all core PSA holders who are currently subject to a wash-up charge, and will be seeking agreement for the suspension of the wash-up process in its entirety.

- 3.2 Currently within the PSA clause 5.3 it states:-

“After the end of each Financial Year (other than the Financial Year ended on 31 March 2013 and, where this Agreement terminates other than on the last day of a Financial Year, the Financial Year in which it terminates) the Authority shall calculate the Actual Cost for that Financial Year and the Final Annual Charge. The Authority shall calculate the Final Annual Charge using the Actual Cost after deducting the income of the Authority for that Financial Year other than Cost Allocation Model Income and then applying the Cost Allocation Model. The Cost Allocation Model shall be applied using updated Inputs, being those Inputs applied in calculating the Provisional Annual Charge for the Financial Year following the Financial Year in question. “

- 3.3 The required consultation would begin once the Authority have endorsed the proposal. There would be 3 different letters issued to the industry:

- Letter 1 – All core PSA holders setting out the proposal and timeframes. This group would include NWR, open access operators, passenger operators, Tramlink and the large freight operators who currently receive an annual wash-up charge.
- Letter 2 – all other PSA holders informing them that a consultation is taking place and confirming that it would not impact on their PSA charges. This group includes the small PSA holders whose charges sit outside of the cost allocation model process and do not receive an annual wash-up charge. These includes heritage lines, metro systems, freight operators and maintenance providers.

- Letter 3 –to be sent to other interested parties informing them of the consultation and inviting their views. This group would include the train operator holding companies, Transport Scotland, Transport for Wales, Transport for London, Rail Delivery Group etc

3.4 Dependant on the outcome of the consultation, BTPA would need to issue out a DoA to each of the impacted PSA holders for them to sign and return to us. The Executive would also need to work with DfT around agreeing a new core PSA that reflected the change and would be used once all PSA holders had agreed the change.

4. Risks

- 4.1 The wash-up process was introduced in the 2013 PSA agreement to ensure that the agreements complied with the Section 33 and to ensure the charges were as accurate as possible. However, this has resulted in significant volatility to the charges due to the time lag with the data sets and the fact that the wash-up charges are issued and charged to PSA holders up to 9 months after the financial year has ended.
- 4.2 Section 33 of the Railway & Transport Safety Act 2004 sets out the requirement for BTPA to enter into an agreement with a customer that provides railway services. This requires the Authority to defray the full cost of BTP, as well as ensuring that the contribution made by the PSA holders each year approximately reflects the nature and extent of the functions likely to be undertaken by BTP in that year in accordance with the PSA holder agreement (Appendix A).
- 4.3 The Executive are of the view that removing the wash-up process would still allow the Authority to comply with its obligations under the legislation, as BTPA currently do defray our costs to the PSA holders. It is suggested that this view should be confirmed through obtaining formal legal advice. This advice would also form part of the submission to DfT requesting this change to the charging mechanism and core PSA agreement. The legislation also allows BTPA to roll forward a previous year's overspend to a forthcoming year's charges to ensure that the expenses from that year are defrayed accordingly (Section 33 sub section 5). In the same way, any underspend could also be rolled forward to offset future charges for PSA funders.
- 4.4 The Executive and Authority should however be mindful that the risks set out in a previous paper ([see Item 6.1 Background Paper to Chief Executive's Report dated 24 September 2021 meeting¹](#)) are still valid. BTPA would still require all core PSA holders to agree to the suspension of the wash-up otherwise there is a risk of legal challenge.
- 4.5 In addition to the known risks, it must also be highlighted that since notifying the core PSA holders of their 2022/23 charges, a number of operators within B Division have raised concern around how the uplift in core resources and associated costs for the Elizabeth Line have

¹ NB this link will only work if you are using the *Board Intelligence* app and have the relevant permissions.

impacted their charges for the year. As a result of this, it is anticipated that these operators will have an increased level of interest in the wash up charges, and thus any proposal to eliminate this process. We expect to receive a higher number of queries during the consultation process that BTPA will need to consider and respond to.

5. DfT Engagement / Approval

- 5.1 In order to progress this, approval would be needed from DfT. A submission will be made to SOAP (SRO Operational Advisory Panel) as was done previously for the suspension of the 2020/21 wash-up process. SOAP is a DfT governance board within Passenger Services who review and endorse proposed changes to policy that would impact the railway. The panel include representatives from HMT, passenger services and Network Rail. DfT would also need to approve the DoA once drafted. From the early engagement that has taken place, DfT are aware of the direction of travel. It is anticipated that once the proposal has been agreed by DfT (via SOAP) this endorsement would provide a good level of support for BTPA in gaining agreement from all its core PSA holders. But it must also be noted that not all of our core PSA holders fall under DfT, as some fall under Transport Scotland, Transport for Wales and Transport for London.
- 5.2 BTPA will need to provide assurance to DfT that the proposal does comply with the current legislation and that the risk of BTPA having to request additional PSA funding from them does not increase as a result of eliminating the wash up.

6. Recommendations

- 6.1 For Members to endorse the proposal for removing the wash-up process for core PSA holders for all future years.
- 6.2 For Members to endorse the Executive to engage with the DfT to seek their approval for the proposal, and once given to consult with all core PSA holders.

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Appendix A

Extract from Railway & Transport Safety Act 2004

Section 33

33 Police services agreement

(1) The Authority may enter into an agreement under this section (to be known as a police services agreement) with any person (“the customer”) which provides—

(a) for the Police Force to police a railway or railway property in connection with which the customer provides railways services, in accordance with the objectives, plans, targets and directions set under sections 50 to 55,

(b) for the Police Force to provide such additional policing services as may be specified in the agreement, and

(c) for such incidental or ancillary matters as the parties think appropriate.

(2) The Authority may not enter into a police services agreement unless a draft is approved in writing by the Secretary of State.

(3) A police services agreement shall include provision requiring the customer to make payments to the Authority, which may be payments of—

(a) specified sums, or

(b) sums assessed in a specified manner (which may include reference to amounts paid, or expected to be paid, by the Authority).

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(a) in each financial year the expenses of the Authority, including those incurred in defraying the expenses of the Police Force, are as nearly as possible equivalent to the income of the Authority, and

(b) the amount of the contribution to the expenses of the Authority made by each customer in a financial year approximately reflects the nature and extent of the functions likely to be undertaken in that year in accordance with the customer’s police service agreement.

(5) But subsection (4) does not prevent the Authority from setting a customer’s contribution at a level which—

(a) reflects a surplus of income over expenses in a previous financial year (whether or not relating wholly or partly to functions carried out in respect of the customer);

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- (b) reflects a deficit in a previous financial year (whether or not relating wholly or partly to functions carried out in respect of the customer);
- (c) reflects the need to reserve funds for contingencies.

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Report to: Authority

Date: 29 June 2022

Subject: Board Effectiveness Evaluation 2022

Author: Head of Governance and Compliance

Sponsor: Chief Executive

For: Decision

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1. Purpose of paper

- 1.1 To present Members of the Authority with the final 2022 Board Effectiveness Evaluation (BEE) Report and action plan for approval.

2. Background

- 2.1 The Authority completes an evaluation of its effectiveness annually, with independent input acquired at less frequent intervals. This is in accordance with HMG's Corporate Governance in Central Government Departments: Code of good practice.
- 2.2 The purpose of the exercise is to gain insight into the ways in which the Authority can operate more effectively and implement improvements where required. This is achieved through thematic analysis of the perspectives of Members, the senior leadership team within the Authority Executive and the Chief Officer Group (COG) within British Transport Police (BTP).
- 2.3 The final report and action plan will be published and submitted to the Department for Transport (DfT), in accordance with the Framework Document, which sets out the broad framework within which the Authority operates.

3. Report and Action Plan

- 3.1 The report and appendices are attached.
- 3.2 The findings within the report were identified through thematic analysis of various strands of feedback as set out therein. These findings have been previously socialised at the BTPA Board Development Session on 25 May.
- 3.3 The document is presented with a view to being endorsed. Members are invited to consider whether there are any elements which should feature more prominently within the findings and/or action plan.
- 3.4 The Executive will report to the Authority on progress against the action plan throughout the year.

4. Recommendations

- 4.1 Members are asked to approve the final report and action plan for publication and submission to the Department.

Board Effectiveness Evaluation Report and Action Plan 2022

Published xx 2022

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Introduction

1. At the British Transport Police Authority (BTPA) we work hard to drive continuous improvement in our ways of working to deliver our purpose of maintaining an efficient and effective police force for the railway. We conduct an annual evaluation of our practices as we continue to shape and deliver good governance and public accountability in railway policing.
2. Our annual evaluation also ensures compliance with the HM Treasury guidance [Corporate Governance in Central Government Departments: Code of Good Practice \(2017\)](#) covering the systems and processes in place at Board, Committee and individual level.
3. The purpose of the exercise is to assess the effectiveness of changes made the previous year, consider any significant changes in the environment that may require a new approach and to identify further opportunities for BTPA to operate more effectively in the future. This is achieved through analysis of the perspectives of Authority Members, BTPA Executive team and the Chief Officer Group (COG) within British Transport Police (BTP), gathered through surveys and discussions. This is in addition to a review of meeting evaluation feedback gathered throughout the year and learning from best practice in corporate governance.
4. Supporting our evaluation this year, BTPA commissioned Deloitte to provide independent input on our effectiveness, acknowledging the importance of the relationship between the BTPA and BTP as fundamental to the effectiveness of the Board.
5. Deloitte's commission was dual focused. The first element was a discrete piece of work reviewing the effectiveness of our financial governance, including the financial regulations and scheme of delegation between BTPA and BTP. This followed an action from the previous year's evaluation and an intention to provide more empowerment to BTP. The second element of the commission was a wider piece of work looking at how effectively BTPA and BTP work together, both in terms of BTPA's governance and oversight role and BTP's role as a supplier to BTPA for functions such as technology, payroll, finance and procurement. The final report was received in early June and the recommendations have been incorporated into this report where appropriate.
6. Once the evaluation report and action plan are approved, BTPA issues these to the Principal Accounting Officer at the Department for Transport (DfT) alongside an explanation of how we plan to address any identified areas for development.

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Context

7. This evaluation has been completed during a period of a continuing pandemic, including a period of adjustment as Government restrictions have eased. For the majority of the time under review, meetings have typically taken the form of a virtual or hybrid style to maximise attendance to meet statutory responsibilities, whilst also applying health safeguards. There is an expectation that virtual and hybrid meetings will remain an option as they can support efficiency and reduce carbon footprint. There is, however, a clear drive towards greater use of face to face meetings than has been possible over the last couple of years to support improved ways of working.
8. It is not surprising that the restrictions in place have impacted the pace of change particularly with regards to relationships and culture. However, the majority of the actions arising from last year's exercise have been discharged leading to noteworthy improvements, including but not limited to the following:
 - Development of BTPA goals ensuring alignment and collective focus to shape Member and Executive workplans for the year.
 - Greater use of informal workshops focused on board effectiveness and strategic issues.
 - Commission of external consultants to work with BTP/A to update, refine and modernise ways of working, including the financial governance framework.
 - Reinstatement of a Chair's Forum.
 - Establishment of a People and Culture Committee.
 - Continuous development of oversight mapping.
 - Introduction of monthly Breakfast Briefings.
 - Refresh of the annual Member appraisal process.
9. It is intended that during the year ahead BTPA will build on existing efforts to maximise its effectiveness. This includes creating further opportunities to work better and smarter with BTP through refined governance workstreams and greater exposure to each other's work. The co-location of the BTPA and BTP also aims to further facilitate greater harmony with regards to shared strategic objectives.

The Evaluation

Methodology

10. The evaluation approach has been streamlined to focus on the themes that were identified in the preceding evaluation. The data collection included a questionnaire to Members (Appendix A) which focused on progress against the previous year's themes and whether they felt these had been achieved, what the notable differences had been and what challenges remained. The second section of the questionnaire was more broadly focused on generic areas of board effectiveness to ensure there was an opportunity to identify any emerging issues or good practice.

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Executive colleagues were also provided the opportunity to complete this questionnaire.

11. A separate commission was sent to the BTP Chief Officer Group (Appendix B) which focused on the ways of working between BTPA and BTP in respect of how we jointly discharge our responsibilities. COG were asked for suggestions for areas of improvement for BTPA in 2022/23.
12. In addition, the following information has fed into evaluation:
 - a. Feedback via an informal Member/COG workshop on the emerging themes in May;
 - b. A review of meeting evaluation feedback provided at the end of each committee meeting in 2021/22;
 - c. Best practice principles in corporate governance.

Findings

13. The overarching themes identified in the previous evaluation remain relevant, but the focus within each has progressed as described below.

Relationships and ways of working

14. There is consensus that the relationship between BTPA and BTP is on a positive trajectory and has become increasingly more constructive throughout the past year. This is supported by the findings prepared by Deloitte where it has also been reported that there is greater sense of openness and transparency.
15. The pace of change however has been hindered by COVID-19. Identifying efficient and effective ways of working together and fostering a strong working relationship generally should continue to be a focal point, as this is seen to be the key to success. One area which has been particularly prominent from both the findings of this exercise and of Deloitte is that there is an appetite for BTP/A colleagues to spend more time together. This does not exclude the Executive, but the view was directed primarily towards Members and Chief Officers whose exposure to each other to date has been broadly limited to the formal governance structure. It is believed that creating greater opportunities for more informal interactions would be advantageous and would support greater operational awareness and strategic alignment.

Effectiveness

16. Progress has been made in developing the narrative to illustrate BTPA's value add, encouraging governance processes to be seen as opportunities to leverage the experience and expertise of the BTPA rather than hurdles to be overcome, but there remains more to do.
17. Last year the Board was encouraged to reflect on how effective it saw itself as being and what the measures of success looked like. In recent months, BTPA has been

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focusing greater efforts in this area through a series of dedicated workshops, from which a set of goals has been established. Work is now underway to develop this further to identify links to BTPA's oversight work and workplans, including Member engagements.

People and Culture

18. Greater focus has been placed in this area. The newly established People and Culture Committee is recognised as the main avenue to enhance awareness of people and cultural matters and has received positive feedback. A Performance and Delivery Committee focus on key elements of legitimacy has also helped this move forward. There is however a sense that visibility is not complete across the full membership, so more work remains to further embed this.
19. Given the importance placed on the modernising of the culture and the national issues in respect of recruitment and financial hardship, the view is taken that this should remain an ongoing focus for BTPA and should be subject to continuous probing.

Communication

20. Feedback on progress against this theme was very positive, particularly with regards to the lines of communication between Members and the BTPA Executive and the quality of the products provided in support. The levels of interaction between the two parts of the BTPA team were perceived to have increased, with the combination of formal and informal channels being well received. Board Intelligence was reported as being an effective mechanism for information sharing.
21. The key area for continued development under this theme is capturing and effectively utilising learning arising from Member activity outside of the formal governance structure. It has been noted that this has been a largely one-way communication and feedback to Members on how their reporting is received and acted on would be useful and provide assurance. Refinements have also been made to the mechanisms which facilitate this and many have felt that the visit reports have been useful. Further work is however planned to enhance this further to get the most out of engagements, ensuing good lines of communication between all parties to maximise impact as well as delivery of the BTPA Goals.

Board Governance

22. There is a sense that the use of virtual meetings still has its advantages in a post pandemic world, but there has been a push for a greater proportion of meetings to be face to face, particularly those which are more strategic in nature. Hybrid meetings are recognised as being more challenging and therefore require greater efforts from the Chair to be truly effective. It is recommended that this is kept under review.
23. It has been reported that the right balance is struck between holding the Force to account and the BTPA being a critical friend, though as has been referenced under

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the relationship theme, more could be done to leverage Board expertise. This is welcomed by BTP and is consistent with the findings from the Deloitte work.

24. Commissioning of papers for formal Committee meetings has been identified as one of the key areas within the governance theme which requires further development. Recognising that this is not an insignificant piece of work and should be a joint endeavour with BTP, placing greater importance and focus on the planning phase should support successful delivery. It is recommended that the initial commissioning for Committees involves early input from the Chair, COG and Executive lead to set forward plans and agendas. Greater emphasis on a forward look and mapping was also a recommendation arising from the findings of Deloitte.
25. Following on from this, the flow of information from Committees to the Board is felt to have improved during the past year. There does however remain a feeling amongst some that agendas can still be overloaded and topics do not always focus discussions in the right areas. BTPA will therefore need to reflect on how it best discharges its oversight responsibilities across different mechanisms, specifically whether by discharging oversight responsibilities outside the Committee structure can free up congested agendas.
26. There is encouragement for greater alignment between BTPA and BTP governance structures with a view to reducing and making use of integrated reports. An observation was observed within the Deloitte report that the BTPA Executive spends much time reviewing papers before being presented to Committees. This can leave the Executive with limited capacity to prioritise on more strategic, advisory or research work. Further consideration should be given to where greater efficiency could be gained in Committee preparation.
27. There is strong feeling within BTP that the pace of governance and formal decision making could be more efficient, particularly with regards to business case decisions. There is not perceived to be a clear line of sight or a process between BTP/A which lends itself to conducive working. This features heavily within the report prepared by Deloitte and requires further attention. This may be the result of a natural tension between an organisation and its oversight body where both sides feel the other could be clearer and crisper in their communication and processes. Or it may be that there are specific areas for improvement here.

Strengths & Weaknesses

28. It is evident that the BTPA has some important strengths, offering a good foundation. This includes the quality, breadth of experience, expertise and drafting. Whilst the diversity of background and skills is thought to have been improved following the most recent intake of Authority Members, the diversity amongst the board is still limited.
29. Feedback also acknowledged a strong sense of purpose amongst the board, with Members being positively motivated to do the right thing through professional engagement. Further opportunities for board cohesiveness are sought, which

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should also support the consistency of contribution, which is seen to be variable in places.

30. The findings have been converted into a detailed action plan which can be found at Appendix D. The 2021 Action Plan has been closed and is attached as Appendix F for information.

Conclusions

31. It is clear that the approach to evaluating board effectiveness has buy-in and is effecting real change. This is evident through:
- a. the significant steps that have been taken in the last year which have offered positive results and improved effectiveness, such as the documented improvements in the relationship between BTPA and COG, supported by the findings of the Deloitte work;
 - b. the response rate to the evaluation questionnaire and statements;
 - c. the successful implementation of the key items of the previous action plan; and
 - d. the significant progression of the themes with clear benefits identified as a result.
32. These benefits should be built upon further as we continue our journey to ensure we are efficient and effective, recognising that what effectiveness looks like is dependent on several factors. As such, what is efficient and effective now will not necessarily be efficient and effective in the future.
33. Finally, it is of note that the themes have remained consistent and relevant with only the focus under each shifting to reflect the progress made. The action plan will build on these with a particular focus on ways of working, relationships and culture, as the absence of COVID-19 restrictions should support a quicker pace of change.

Appendices

Appendix A - Member Questionnaire

Appendix B – Commission to COG

Appendix C – Best practice principles & meeting evaluation feedback

Appendix D - 2022 Action Plan

Appendix E – BTPA Goals

Appendix F - 2021 Action Plan (closed)

Appendix A: Member Questionnaire

BEE 2022: Member Questionnaire				
Section 1 – Assessing progress				
1. In the last BEE action plan our intention was to maximise change opportunities to refresh ways of working with BTP, building on previous efforts to facilitate more informal sessions between BTPA/COG. <ol style="list-style-type: none"> To what extent have we achieved this? Have you observed a notable difference? 				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
2. In the last BEE we acknowledged that we needed to agree what 'effective' looks like for BTPA, identifying any board/individual development needs to ensure excellence in delivery and focusing on how the Authority adds value to delivery of the Strategy and what is needed to deliver this i.e. any changes to project/financial governance, terms and conditions to deliver the desired culture and behaviours etc. <ol style="list-style-type: none"> To what extent have we achieved this? Have you observed a notable difference? 				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
3. In the last BEE we identified a need to enhance awareness of people and culture matters to ensure an understanding of and strategic focus on, what type of employer BTP/A is and wants to be in the future.				

i. To what extent have we achieved this? ii. Have you observed a notable difference?				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
4. In the last BEE we identified a need to further refine the format, level and frequency of communication between the BTPA Executive and Members, including how we capture learning and other outputs from Member activity outside of the formal governance structure. i. To what extent have we achieved this? ii. Have you observed a notable difference?				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
Section 2: Testing current board effectiveness				
5. Does the board dedicate the optimal amount of time to agenda items, should more be delegated to committees or working groups?				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
6. Are there sufficient opportunities for Members to have strategic discussions?				

Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
7. Does the Board strike the right balance between holding the Force to account and being a critical friend, whilst also offering support at appropriate times?				
Comments and suggestions for improvement:				
Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
8. Do you feel that the current ways of working are conducive to operating as an effective board? Consider face to face meetings versus virtual set up, the frequency of engagement, provision of information and board dynamics.				
Comments and suggestions for improvement:				

Please score the Authority's performance in the above area	4 Outstanding, one of the best in this area	3 Consistently good	2 Needs improvement	1 Significant improvements required
9. What do you consider to be the board's greatest strength and greatest weakness?				
10. Please offer two recommendations to develop the Authority going into 2022/23				
Additional comments:				

Appendix B: Commission to COG

Dear All,

We are taking a slightly different approach to the annual Board Effectiveness Evaluation (BEE) this year as we continue to progress along this journey. We are very keen to focus on the ways of working between BTPA and BTP in respect of how we jointly discharge our responsibilities. We have outlined six areas below which we would appreciate your feedback on.

Comments on the following:

1. The accessibility and clarity of the BTPA's formal governance structure/framework including the division of responsibilities between committees.
2. The way that BTPA articulates its areas of interests and requirements through formal commissioning briefs, pre-meets and discussions.
3. The cohesion between the BTPA and BTP governance structures.
4. How BTPA responds to early-warning signals of problems ahead that will adversely affect reputation, key outcomes, targets or financial performance.
5. The level and approach taken towards strategic and collaborative working.

Additionally, we are also interested to hear if you have any suggestions for areas of improvement for BTPA going into 2022/23?

We are keen to hear from each of you given your differing experiences in respect of your portfolios and committee interactions with BTPA. If you could provide us with comments by Friday 18 March to Calvert.Yasin@btp.police.uk we would be grateful.

Lucy and Stephanie

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Appendix C: Best practice principles and meeting evaluation feedback

Review of Best Practice 2021/22

<i>Board Intelligence</i> Workshop – High Impact Board Packs	<p>Average corporate Board pack is 280+ pages Recommend reducing length and drawing out the ‘so what?’ Better Board packs represent reduced time and cost / corporate peace of mind.</p> <p>‘Good’ = well-structured agenda of high-quality papers.</p> <p>High quality paper = focused commission; 1-page max exec summary; well-structured info that anticipates Member questions / seeks Member insight.</p>
<i>Board Intelligence</i> Beyond the Virtual Boardroom Spotlight Report	<p>Recommends a hybrid calendar approach where meeting calendar is a mix of wholly in-person meetings and wholly virtual meetings.</p> <p>Recommends against hybrid meetings as arguably virtual attendees of a hybrid meeting will never achieve effectiveness of being in the room.</p> <p>Recommends in-person meetings for Board meetings where fostering relationships/external engagement takes place.</p> <p>Recommends virtual meetings for monitoring performance and progress.</p>
<i>Board Intelligence</i> ExCo Guide to Shorter Papers Report	<p>Recommends commissioning that generates shorter papers which promote,</p> <ul style="list-style-type: none"> • Controlled narrative • Faster decision making • Good time management • Motivated report authors • Member confidence in Exec/Force <p>Notes long agenda packs risk diluting key messages; poor conversations; and are result of poor commissioning process. Recommends more time given over to commissioning structured around</p> <ul style="list-style-type: none"> • Clear aim • Time for authors to query commission
<i>Board Intelligence</i> Definitive Guide to Decision Papers Spotlight Report	<p>Recommends that process not volume of research or analysis underpins whether a decision is ‘good’ or ‘bad’.</p> <p>An effective decision paper:</p> <ul style="list-style-type: none"> • is clear what stage of the decision cycle the proposals sits at • what need is being met and why now is the opportune time • set out assumptions, risks, people and peer examples • what options were considered and discounted • what needs to happen to implement decision effectively

Meeting Evaluation Themes 2021/22

Meeting Preparation	Members could have more thorough induction on joining a Committee for the first time.
	Member agenda briefings were welcome.
	Commissioning could happen earlier and involve direct liaison between COG Committee Leads and Chairs.
	Commissioning should ensure papers were strategic rather than operational in focus.
	More thought to be given to agenda timing allocations.
Meeting Software	Some BI issues e.g. disjointed comments / update downloads not occurring.
Meeting Format	Hybrid format prompts thought on who needed to be in the room.
	Some formats e.g. workshop benefited from in person format i.e. ability to read body language.
	Hybrid Facilities perform well albeit can be unreliable.
	Whole-day sessions should be avoided.
	Infographics and presentations add value if used judiciously.
	Hybrid/online meetings represented a lower carbon footprint.
	Size and layout of BTPA Committee Room 2 nd Floor not optimal for in-person meetings.
	Potential to hold more of meetings in public.
	Potential to meet elsewhere in UK aside from London.
Report Content	Papers of right length albeit some circulated late.
	High quality reports encouraged high quality discussion and insight.
	User friendliness of BI risks culture of late papers.
	Make updates to papers explicit.
	Risk profile format compares favourably with public and private sector organisations.
	Performance reporting would benefit from more trend data rather than point data.
	Verbal narrative at meetings preferable to written narrative / longer papers.
	Agenda briefing should make clear what scrutiny a paper had undergone at peer Committees/Working Groups.
Member Engagement	Pre-meeting consultation risked items being 'rubber stamped' at formal meeting with public perception of little scrutiny.
	Peer Forces benefited from Authority Members performing NED role on internal boards: albeit any such approach in BTP should be governed by a clear protocol to avoid loss of operational independence.
Decision Making	Formal meeting framework should facilitate decisions being made at pace.
	Minutes and Actions arising from meetings could be circulated sooner.
	Some positive examples of Authority critique of Force proposals e.g. Paid Partner Parental Leave approval.
	Some lessons to learn on how Force engages Executive and Members in advance of high-profile decisions e.g. <i>A Force on the Move</i> .
	Consideration should be given to how papers are drafted to ensure Members were clear what insight/value add was being sought from them.

Appendix D: Action Plan 2022

Theme	Context	Actions
1. Relationships & ways of working Maximise change opportunities to refresh ways of working with BTP, building on previous efforts to facilitate more informal and strategic sessions between Members, BTPA Executive and COG.	It was agreed that the arrival of the new Chief Constable presented an opportunity to progress this work and the Strategic Directive to the CC (Serial B071) was drafted to set out how we wanted to work together. This has been a developing theme over a number of evaluations and steady progress is now being made. An improved relationship means there is a route to work through objectives.	1. Receive the Deloitte report which looks at ways of working between BTP/A: <ol style="list-style-type: none"> consider the recommendations explore proposals with BTP implement the recommendations as appropriate.
		2. Create opportunities for more informal/strategic time between BTPA and BTP within Members' time commitment. Not to be London centric.
		3. Resurrection of Executive/COG meetings to build on existing routes of communication, preferably during the middle of each quarter to complement other touch points.
		4. A review of Member engagement outside of committees and touch points with COG to ensure optimal arrangements.
		5. The Executive to explore with BTP a succinct list of strategic issues to assist the range and scale of issues the BTPA would be likely to scrutinise and comment upon.
2. Effectiveness Agree what 'effective' looks like for BTPA and identify any board/individual development needs to ensure excellence in delivery. Focus on how the Authority adds value to delivery of the Strategy and what is needed to deliver this i.e. any changes to project/financial governance, terms and conditions to deliver the desired culture and behaviours etc.	This theme builds on previous work looking at oversight mapping and the setting of goals to help illustrate BTPA's focus and value add.	6. Continue to explore a shared vision and understanding of BTPA effectiveness. Embed BTPA goals, measuring success at set intervals.
		7. A revised scheme of financial delegation ways of working with BTP to be approved which ensures sufficient empowerment (action 1 refers).
		8. Populate a training plan for Members.
		9. Revisit oversight mapping work previously considered at a BTPA workshop on 3 February 2021, consider any remaining gaps, whilst having regard for overloaded Committee agendas.
3. People and culture Enhance awareness of people and culture matters to ensure an understanding of and strategic focus on, what type of employer BTP/A is and wants to be in the future.	In September 2021 the BTPA established a dedicated People and Culture Committee to enable sufficient focus to be attributed to people and cultural matters. This need was driven by last year's BEE exercise recognising BTP's ambition to modernise culture and promote a more modern and agile BTP. There has also been increased focus on policing legitimacy which should continue to develop.	10. The Executive to continue to work closely with BTP People and Culture to identify strategic people projects and workstreams where the BTPA can add value and agree how best to engage, having regard to the delivery of the People Strategy.
		11. To continue to develop the People and Culture Committee workplan, leading and testing cultural change within the organisation.
		12. Broaden legitimacy focus ensuring that it complements operational oversight from Performance & Delivery Committee.
		13. As the culture evolves, respond to changes required to terms and conditions.

4. Member/Executive Communication Identify optimal arrangements for communication between the BTPA Executive and Members, including the capture of learning and progression of work arising from Member activity outside of the formal governance structure.	This builds on a previous action to ensure that Members are aware of key decisions/discussions, including those they are not allocated to. Improved engagement outside of formal structures continues to evolve.	14. CEO to provide Members with monthly updates reporting on key decisions and oversight activity undertaken by the Executive.
		15. Create further engagement opportunities, enabling individual Member expertise to be leveraged to a greater extent using the Chief Constable’s strategy as a platform. Develop a proposal which will support the delivery of this.
		16. Develop an effective mechanism for capturing, sharing and progressing outputs from engagements.
5. Governance Continue refining governance procedures.	To ensure a consistent and effective approach towards BTPA governance.	17. Continue to assess the effectiveness of hybrid meetings and considering the approach for 2023/24, taking account of sustainability considerations.
		18. Review the commissioning process to ensure greater strategic input is received and at an earlier stage between Chairs, Executive and COG leads.
		19. In conjunction with action 18, keep meeting agendas under review to ensure they are manageable and facilitate best discussions and outcomes.
		20. To consider further opportunities which could lead to greater cohesion between BTPA and BTP governance structures.
		21. Revise the approach and timetabling of BTP/A Executive Review Groups ensuring that these meetings complement action 3.
		22. To explore the new FEB/COG report template with a view to identifying what needs to be adapted for BTPA governance. Adopt report writing guidance/templates/training in support.
		23. Board agendas to be refocused to ensure emphasis on strategy and forward look.
		24. Make refinements to the Code of Governance to make it more accessible leading to an increased awareness of the requirements and compliance. Linked to action 1.
		25. Increase public accessibility to BTPA meetings, applying greater focus on professionalism and reputation.

Appendix E: BTPA Goals

- 1. We want to be a well-run Arm’s Length Body, trusted by all our stakeholders.
- 2. We want to promote & enable a modernised and inclusive culture in the BTP.
- 3. We want to provide effective, supportive and challenging police oversight for today and tomorrow across the full range of BTP activity.
- 4. We want to develop our vision for security and lead the conversation with industry and DfT to improve outcomes for industry and passengers.
- 5. We want to drive transformation and ensure BTP is respected for their specialism by the rail industry and for their innovation across policing.
- 6. We want continuously to deliver efficiencies and keep improving productivity through BTP.

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Appendix E: Board Effectiveness Evaluation Action Plan 2021 (closed)

Theme	Context	Actions	Progress
1. Relationships Maximise change opportunities to refresh ways of working with BTP, building on previous efforts to facilitate more informal and strategic sessions between Members, BTPA Executive and COG.	This builds on action six from last year's action plan, as the pandemic restricted our options in 2020 and the first half of 2021. It was agreed that the arrival of the new Chief Constable presented an opportunity to progress this work and the Strategic Directive to the CC (Serial B071) was drafted to set out how we wanted to work together.	26. In addition to the softer, less tangible changes in how we communicate, an integrated Member meeting & engagement cycle to be developed with BTP to include, in addition to the formal meeting cycle: a. Informal BTPA/BTP briefing sessions in the form of breakfast briefings with guest speakers from BTP/industry; b. More workshop style events to discuss strategic matters and reach consensus.	Nearing completion – rolled forward 1. Integrated business cycle for the remainder of 2022 has been published. Proposed dates for 2023 are in development. 1a. Monthly Breakfast Briefings have been scheduled for the calendar year, with a range of topics having been identified through consultation with BTP and other partners. 1b. A suitable programme to support workshop style events to consider strategic matters is to be developed. An invite has been extended to BTP to join the BTPA for part of its Board Development Session on 25 May on Board Effectiveness Evaluation and a Strategic Risk Workshop.
		27. Chairs' Forum focused on committee business/strategy to be reinstated.	Complete Since its reinstatement, the Chairs' Forum has met four times (in September, October, January and March). This forum continues to evolve. In recent meetings the Chairs have provided with a forward look from the CEO. There is further work planned to revise the approach taken towards the commissioning of committees, which should positively impact the focus of this group ensuring that sufficient consideration is given to how the board's time is split across strategy, performance and governance for example.
		28. A review of Member engagement outside of committees and touch points with COG to ensure optimal arrangements.	In progress – rolled forward Development of a rolling series of visits is in progress. The process of matching Member skillsets with COG portfolios/projects and facilitating conversations is also intended to support engagement.
		29. Board agendas to be refocused to ensure emphasis on strategy and forward look.	Nearing Completion – rolled forward The new agenda planning tool is being used and a dedicated forward look item has been introduced into committee agendas, supported by annual workplans.
2. Effectiveness Agree what 'effective' looks like for BTPA and identify any board/individual development needs to ensure excellence in delivery. Focus on how the Authority adds value to delivery of the Strategy and what is needed to	This builds on actions one and five from last year which led to the development of the oversight mapping work and the identification of a number of areas that required additional focus which have now been largely addressed following discussions in	30. Facilitated session to coalesce around what 'effective' looks like for BTPA. Resulting in a shared vision and understanding amongst the membership.	Complete Facilitated sessions were held in February and March, the former of which had a dual purpose of forming part of the new Member induction programme, as well as specifically considering BTPA effectiveness. Through these sessions, BTPA goals have been established which will be revisited at the Board Development Session on 25 May. Individual Member effectiveness has been considered through the appraisal process completed in September '21 and April '22.

deliver this i.e. any changes to project/financial governance, terms and conditions to deliver the desired culture and behaviours etc.	September 20 and February 21. The actions are the identified next steps along the journey towards becoming a high-performing board.	31. Actions from the above session to be progressed along with a review of collective and individual skills gaps to ensure continuous board development driving value, innovation and excellence in delivery.	To be progressed There is further work to be done to measure the success of the delivery of the BTPA goals. In parallel, identify and address any skills gaps within the BTPA.
		32. As part of the development of the Strategy, discuss and agree the culture, values and behaviours for BTP/A and any resulting changes required to term and conditions.	Complete Using the People Survey and 'Have your say' sessions BTP created values with the workforce. Five values were agreed, launched and focus is now on embedding them into the organisation. The People and Culture Committee was provided an update on this work at its November meeting. BTPA has had the opportunity to feed into culture, values and behaviours as part of the work to develop the next Strategy. Any resulting changes to Terms and Conditions or significant policy shifts as a result of the Strategy will require Authority approval.
		33. Review the scheme of financial delegation and service level agreement with BTP to ensure that this is efficient and effective and provides sufficient empowerment.	Nearing completion – rolled forward Deloitte is supporting the BTPA with this key programme work. There was initially a delay to the intended timetable due to the commercial process, but work began in earnest at the start of April and is on track. The final report has been shared and a proposed framework provided.
		34. Oversight mapping work to be progressed and outstanding gaps closed.	Nearing completion – rolled forward Work remains ongoing to identify any remaining oversight gaps. Following the implementation of the People and Culture Committee, the division of committee responsibilities is becoming more conducive. The introduction of the breakfast briefings has also provided an opportunity to provide the Authority with further exposure to different areas of BTP and other business. The BTPA may need to be more creative with its approach towards oversight to close the remaining gaps.
3. People and culture Enhance awareness of people and culture matters to ensure an understanding of and strategic focus on, what type of employer BTP/A is and wants to be in the future.	This partly builds on action five from last year which was to modernise BTP's culture and drive a more modern and agile organisation, which has been partly captured in the previous theme in respect of the opportunity to influence and set the culture, behaviour and values as part of the development of the Strategy. However, this theme broadens out the previous action to expand into wider people matters.	35. The Executive to work with BTP People and Culture to identify strategic people projects where the Authority can add value and agree how we best engage.	Complete The People and Culture Committee has met three times. This forum has provided an opportunity for richer conversations around the various workstreams components which make up the People Strategy. A forward look for the committee has been developed and will be retained as a living document.
		36. The Appointments and Remuneration Committee to be replaced with a wider People and Remuneration Committee.	Complete An Appointments, Remuneration and Appraisal Committee has been retained with a narrow remit and is Chaired by the Authority Chair. The People and Culture Committee has been implemented with a focus on wider people and culture matters.
		37. A separate Appointments and Appraisal Panel to be established with a narrow remit of Chief Officer and equivalent succession planning/appointments at BTP/A and appraisals for those appointed to these posts.	Complete See above

4. Member/Executive Communication Further refine the format, level and frequency of communication between the BTPA Executive and Members, including how we capture learning and other outputs from Member activity outside of the formal governance structure.	This builds on the action from the 2018/19 Board Effectiveness Evaluation following which committee digests were implemented to ensure Members were aware of key decisions/discussions from other committees, improved engagement outside of formal structures was delivered through the Member WhatsApp group and the Chief Executive's digests.	38. Review Member engagement opportunities with BTP and stakeholders using the Chief Constable's strategy as a platform.	In progress – rolled forward Engagement opportunities are being explored and developed. Now that the Strategy has reached its final stage this can be used as a platform.
		39. Develop the mechanisms to facilitate effective two-way communication between Members and the Executive focused on activity outside of committees through: a) Increased informal briefings; b) Creation of standardised report backs with observations; c) Refinement of presentation of material shared on BI.	Nearing completion - rolled forward The only outstanding element is to work on two-way communication. 14. Members have been reminded of the activity log and the need to report their activities and observations to the Member Engagement Manager/BTPA Executive. 14 (a) The Executive continues to share information by BI and through designated briefings. 14(b) This mechanism exists but requires enhanced use. 14(c) Following consultation with colleagues, the BI architecture has been refined.
5. Governance Continue refining governance following the appointment of the Board Secretary.	This builds on action two from last year's plan to ensure a consistent approach to governance following the appointment of the Board Secretary and takes into consideration recognised best practice.	40. Adopt a policy on succession planning.	In progress – rolled forward This is currently being achieved through the allocation of deputy Chairs, which the revised committee allocations laid the groundwork for. Engagement with DfT on Member succession planning remains ongoing and receives continuous focus from the Executive.
		41. Agenda structures to be benchmarked against Strategy/Policing Plan.	To be progressed This will be implemented alongside the Strategy 22/27 and Policing Plan 22/25.
		42. Adopt report writing guidance/templates/training.	Nearing completion A draft narrative committee/board report has been developed and steps are being taken to share best practice guidance. The next steps are to produce a recognised suite of templates and facilitate report writing training. Increased awareness of commercial and political sensitives, including appropriate consideration of protected markings has also been promoted.
		43. Develop the induction programme for incoming Members including a refresh of the Member Handbook.	Complete An induction programme has been developed and delivered. This included a significant refresh of the Member handbook.

		44. Refresh annual Member appraisal process.	<p>Complete Refinements to the process have been made. Member appraisal meetings took place in October and April, now aligned with the end of the performance year.</p>
		45. Incorporate recommended oversight mapping governance outputs, including a refresh of committee workplans and development of performance dashboards.	<p>In progress – rolled forward The Executive has put in place a broader range of oversight activity to respond to the recommendations identified through the oversight mapping work, most prominently legitimacy.</p> <p>Outputs continue to be incorporated into the committee terms of reference, aligned with new BI agenda planner and quarterly Chairs' Forum planning meetings.</p> <p>Dashboards have been created for the new Policing Plan ready for adoption. There is also one in development for SRPC.</p>
		46. Increase accessibility to public meetings.	<p>In progress - rolled forward Accessibility to documentation supporting committees and Authority meetings continues to be refined.</p> <p>The Executive has been exploring the technology and cost implications to enable streaming of meetings. Meanwhile accessibility of board meetings has been enabled through the recordings of Authority meetings being published online.</p>

Report to: Audit and Risk Assurance Committee / Full Authority

Date: 23 June 2022 / 29 June 2022

Subject: Code of Governance Light Refresh 2022

Sponsor: Head of Governance and Compliance

Author: Board Secretary

For: Decision

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1. Purpose of Paper

- 1.1 To brief Members on, and seek their approval for, recommended amendments to Committee terms of references as a light touch annual refresh to the Code of Governance.

2. Background

- 2.1 The Full Authority conducts a refresh of its Code of Governance annually. A refresh was last approved in September 2021 (creation of Appointments, Remuneration and Appraisal Committee, and People and Culture Committee) and prior to that June 2021 (refresh of language and amendments to terms of references).
- 2.2 This refresh focuses on Terms of References of the Full Authority and its Committees (pp.11-22 of the Code) and Annex 5 (Procedural Standing Orders).
- 2.3 Members will note a separate more substantive update will be forthcoming in September 2022 arising from Deloitte's external review of Annexes 4 (Financial Management), 6 (Accounting Officer Service Level Agreement) and 7 (Scheme of Financial Delegations).

3. Proposed Amendments: Committee Terms of References

- 3.1 **Performance and Delivery Committee.** Joint responsibility for Legitimacy with respect of equality and diversity of the Force's workforce is made explicit; three sections duplicating responsibility for People matters with the People and Culture Committee are deleted.
- 3.2 **Strategy and Planning Committee.** Responsibility for considering all business cases has been removed, to recognise there will be business cases better suited for review by peer Committees e.g. Police Education Qualifications Framework (PEQF) by People and Culture Committee. It is proposed that going forward the Chief Executive will determine which business cases are submitted to which Committee for consideration.
- 3.3 **People and Culture Committee.** Responsibility for considering the annual Wellbeing, Health and Safety report is made explicit.
- 3.4 **Audit and Risk Assurance Committee.** ARAC meets on 23 June 2022 after Full Authority papers are published and therefore the outcome of its terms of

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reference review will be reported verbally to the Full Authority meeting on 29 June 2022.

4. Annex 5 (Procedural Standing Orders)

- 4.1 No amendments are proposed for Annex 5 (Procedural Standing Orders).
- 4.2 **Review of Out of Committee Procedure for Urgent Matters agreed in June 2021.** Action 10/2021 of the Full Authority meeting dated 23 June 2021 was for the revised out-of-committee decision making process to be kept under review to ensure the tempo of decision making outside of the formal meeting process was appropriate and did not risk an over-reliance on Members making decisions outside of formal meetings.
- 4.3 A total of 12 decisions have been made under the new process June 2021-10 June 2022. This compares to 11 decisions made over the same period 2020/21 which suggests the new process is in line with the previous tempo of out-of-committee decision making and therefore fit for purpose.

5. Other light touch changes to Code of Governance

- 5.1 A revised infographic illustrating the Authority's Business Cycle will be inserted into p.23 of the approved version of the Code.

6. Recommendations

- 6.1 Members of Audit and Risk Assurance Committee are asked to,
 - Consider the proposed amendments to the refreshed Code of Governance, alongside any amendments to their own Committee's terms of reference and make a recommendation to the Full Authority for approval.
- 6.2 Members of the Full Authority are asked to,
 - Approve the proposed amendments to the terms of references of each of its Committees.
 - Approve the proposed amendments to the wider Code of Governance

Appendix [in Background Papers Pack] Draft BTPA Code of Governance 2022/23 [with tracked changes / comments]

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Report to: Full Authority

Date: 29 June 2022

Subject: Appointment of Stakeholder Engagement Working Group

Sponsor: Head of Strategy, Planning and Engagement

Author: Stakeholder Engagement and Communications Manager

For: Decision

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1. Purpose of paper

- 1.1 To provide Members with an outline of discussion around changing the name and remit of the Policing Plan Working Group to now be a Stakeholder Engagement Working Group
- 1.2 To invite Members to approve a name change and remit of the Policing Plan Working Group to become the Stakeholder Engagement Working Group

2. Background

- 2.1 Following the decision to publish a Policing Plan once every three years, instead of annually, it was felt that the Policing Plan Working Group in its existing form was no longer needed.
- 2.2 However, there does need to be a group that oversees the annual refresh of the Policing Plan (anticipated reprint of the document in case anything changes).
- 2.3 One of the core activities of the Policing Plan Working Group was monitoring the annual Regional Stakeholder Meetings, where subdivisional commanders proposed the annual Policing Plans every year for feedback from partners. These sessions proved incredibly useful for engagement with stakeholders and recording their views on many elements of railway policing, not just Policing Plan related discussion.
- 2.4 Therefore, the group would like to change their name/remit and build on the good stakeholder engagement work that already happens within this working group.
- 2.5 The initial meeting (expected September 2022) will look at the two Stakeholder Engagement Plans for BTP and BTPA, while the subsequent two meetings (Nov 2022 and early 2023) will address any refresh requirements for the Policing Plan document and feedback from the Stakeholder Meetings in late-2022.

3. Recommendations

- 3.1 Members note the report.

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- 3.2 Members approve the appointment of a Stakeholder Engagement Working Group
- 3.3 Subject to the above, approve the attached terms of reference for the Stakeholder Engagement Working Group.

4. Appendix

Terms of Reference – Stakeholder Engagement Working Group

Stakeholder Engagement Working Group Terms of Reference

Purpose

The Stakeholder Engagement Working Group will oversee and advise on the BTP/A's communication and engagement with industry, the public and other important stakeholders. The Group will oversee the alignment of BTP and BTPA stakeholder engagement, as well as any refresh of the Policing Plan document if needed. Industry representatives will be invited to speak at working group meetings to offer insight and ideas for engagement.

Reporting

A digest of key issues arising at each meeting will be circulated to the Full Authority for information. The minutes of each meeting will be reported to the next meeting of its parent Strategy and Planning Committee.

Responsibilities

- Oversee BTP/A stakeholder engagement
- Advise on new modes of engagement: public, internal and “beyond industry” communications, seeking insights from stakeholder representatives where appropriate.
- Oversee the Policing Plan 2022-2025 annual refresh and development of subsequent Plan(s)

Meetings

Four meetings per year

Chair and Deputy Chair

The Chair shall be appointed by the Chair of the Full Authority.

Quorum

Half of membership (where overall membership is an odd number, the quorum is rounded up e.g. membership of five = quorum of three).

Membership

At least three Members of the Full Authority.

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SECURITY CLASSIFICATION - OFFICIAL

HANDLING INSTRUCTIONS - No restriction on circulation

DISCLOSABLE (FOI / PUBLICATION SCHEME) - Yes



Report to: Police Authority
Date: 29/06/2022
Subject: Chief Constable's Report
For: Noting

1. PURPOSE OF PAPER

1.1 The Chief Constable's report brings to the attention of Members of the Police Authority, items that the Chief Constable wishes the Committee to note. The report is aligned to the core domains of 'A Force on the Move'.

1.2 As I highlight the excellent work completed by our officers and staff on a daily basis through my weekly newsletter, I will not touch upon that particular aspect of their work in this report. However, I did wish to highlight that we are coming up to an extremely busy period for the Force with the summer season, with both increased passenger numbers taking advantage of summer holidays, the Commonwealth Games and our own leave based abstractions on top of this. We have anticipated the increased demand and mitigations are in place and I look forward to updating the committee around our performance and the good work across this period.

2. A FORCE ON THE MOVE

2.1. A full update regarding A Force on the Move (AFoTM) will be provided under a separate agenda item as part of this committee.

2.2. However, I wished to note the recent efficiencies meeting with DfT as this is valuable context. From our discussion it is clear that there are a number of pressures within government to realise financial efficiencies in light of the wider economic landscape, and DfT have engaged with ourselves and the BTPA to identify any potential opportunities in this space. We are working closely with the BTPA Executive on this, particularly to highlight the additional demands and functions which we have absorbed recently without cost to industry and against the backdrop of efficiencies made already under BTP2021. I acknowledge that there is more work to be done in this area, which is part of the AFoTM agenda item today.

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3. FOCUSSED ON THE FUTURE

3.1. **Great British Railways (GBR)** – The first consultation on the primary legislation to begin the transition to GBR was published recently. However, the 75 page document only made passing reference to BTP, in the same way that the Williams-Shapps Plan for Rail mentioned BTP just twice. Policing and security is not among the GBR Transition Team's immediate priorities. What has become clear, however, was that BTP will be unaffected by this initial raft of legislative change, and that there will also be another consultation, which will address the issues of policing and security on the railway.

Whilst there is still more to do to ensure deeper engagement with GBR, we do have an opportunity to demonstrate the unique value BTP brings to the railway, including the commissioning of a dedicated economist to demonstrate the value for money which our specialist capabilities provide. To add further assurance, we have recently held positive meetings with a number of members of the Transition Team, and are working collaboratively with our partners to ensure that we will be a part of all key decision making processes going forward.

3.2. **Senior Leadership Development Programme** – We launched our new Senior Leadership Development Programme on 8 June. This development programme is initially aimed at Superintendents, C002s and above, including COG and will be delivered by Ashridge Business School. This supports our commitment in the BTPA Strategic Plan and AFoTM where we are clear that we want our people to be 'well led'. The programme focusses on the individual as a leader, the impact they make and how to lead cultural and system change, with a particular focus on inclusion:



3.3. **Detective Direct Entry Scheme** – Detectives are a national shortage occupation and, as I reference in the Investigation and Solved rate section below, our own CID presently have a vacancy of 19%. To 'grow our own' and provide an alternative route into policing for those we know have the skills and capabilities but to who operational policing may not appeal, we launched the application process for our first ever direct entry detective scheme in April. To encourage applications, we ran 7 pre-application sessions, which received 778 registrations and 280 participants. In addition to the online information sessions for all candidates, a further two positive action events were run for all female

Security Classification and Handling Instructions of document are detailed on page 1

and ethnic minority candidates. These were aimed at coaching attendees in the Competency and Values Framework and further supporting applications and assessment centre preparation. These were attended by a total of 129 participants. Applications closed on the 16 May with 106 applications received. Of this 106, there are 30.1% ethnic minority applicants and 51.5% female applicants. In the run up to the assessment centres our Positive Action team will be engaging with participants to ensure continuing engagement and support. The scheme goes live in September and our ambition is that the 22 selected participants and subsequent intakes bring new perspectives, abilities and diversity to the future of our investigative capability.

- 3.4. **Force Recruitment** – There are currently more job vacancies in the UK than there are people available to fill them. 1.1 million over 50's dropped out of the job market post-Covid furlough and choosing to retire. More young people are at University, having secured places due to estimated grades being used when exams were halted during the pandemic. In addition, 1.6 million EU citizens returned home following the combination of Brexit and Covid. These three factors mean there are not enough workers for the jobs available, leading to shortages across all sectors, most noticeably being played out in the airline industry at present. This shortage is leading to pay inflation, as employers offer higher salaries or bounties to secure employees over competitors. With inflation forecast to reach 11% later this year and the average pay award at 4%, real wages are falling against the market. This in turn is driving a 'merry go round', as employees move between employers into similar roles for an increased salary. Tightening in work permit rules, particularly the restrictions on EU free movement have led to some noticeable skills shortfalls, particularly in digital and OH nurses.

In the policing context, we are experiencing recruitment concerns in the London Control Room, where our pay and benefits, are not competitive against the Met and City of London police¹. There is a national shortage of detectives, which is impacting investigation of crime across all forces. The pressure from the Home Office to meet the Government's target of 20,000 new police officers, is driving some non-collegiate behaviour from some Forces. The Home Office is offering a £20K per recruit bounty to all forces who recruit over their target. This is leading to forces pouring resources into recruitment – for example the MPS are advertising across the underground network and on trains outside London, including across the West Midlands. They have also offered a £5K bonus to all qualified

¹ In comparison to the West Midlands Police, the Metropolitan Police and the City of London Police; the total earnings of BTP Contact Management Staff (FCR, FCC and their training teams) indicates that, while BTP are paying comparative to the market for **base pay**, there are some noticeable differences when it comes to additional payments for working unsociable hours. While BTP currently pays 20% of base salary for shift work, it does not bring the earnings of this staff group up to the level of earnings of other forces. The London Forces and WMP all offer 30% (+) shift allowances, compared to BTPs 20%. To compete, we would need to offer an approx. £2k market supplement to these staff.

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officers transferring to them before the end of the financial year. This is despite a request from the NPCC for a moratorium on transferees between forces in early 2023, in order to focus on genuine new recruits joining policing. We have not seen any noticeable increase in officers transferring to the MPS as yet, but we will continue to monitor closely. We believe this is because of our culture; as T/PS Steve Walker who joined us after 30 years with West Midlands Police says of us: *“What struck me immediately when I started was the friendly welcome and strong sense of togetherness as one BTP. We’re a force of names, not numbers – you’re a person, not one of the many – and wellbeing really matters. People listen to you and I can have an impact on what happens here. I feel valued”*. This unquestionably is our strength and USP alongside the opportunities of working in a national force.

I am also conscious of the challenges we face in attracting individuals against the backdrop of wider perceptions around policing legitimacy which is undoubtedly having an impact in people’s desire or confidence to pursue a career in policing at present. This is why I believe we need to be promoting the Force’s work via social media to instil confidence and a sense of transparency, introducing new and different recruitment avenues across different media platforms and placing a focus on attracting recruits from underrepresented communities.

To this end we have undertaken the following with a particular focus on addressing pay, conditions and allowances:

- Developed an accelerated recruitment plan, to increase recruitment and training to ensure that we maintain numbers coming into the force
- Increased our resources in recruitment and vetting
- Introduced a Detectives direct entry scheme to grow our own detectives, and, in the meantime, we have recruited a number of skilled and experienced temporary civilian investigators to fill the vacancies whilst these new recruits develop their skills
- Redistributed oyster cards available across the force to give these to FCRL employees in order to match benefits provided by other London forces and engaged with Industry regarding concessionary travel options for our people
- Conducted a review of salaries of OH Nurses and increased skills allowances. We are also developing a OH apprenticeship offer to grow our own specialist nurses. Due to the shortage of nursing staff in the UK, we are exploring whether we can recruit from overseas under the work permit scheme

4. A NEW GENERATION OF PARTNERSHIPS

Policing and Security pilots – Led by ACC Network Policing, this project is focussed upon harnessing the collective energy of policing and non-policing partners in tackling

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crime and disorder, vulnerability and disruption on the network. BTP and industry colleagues have long acknowledged that there is duplication in patrol and response work in iconic public spaces across the network, and this project is scoping what that duplication looks like at five key sites, and then working differently to achieve safer environments by capitalising on the aggregated policing and security resource. In effect, the project is developing a policing and security response to the opportunities cited in the Government's White Paper around collaboration and integration. BTP are working with two key industry partners – Network Rail and TfL – to deliver that.

Five project sites are now all live. They are Kings Cross/St Pancras, London Bridge, Stratford (TfL), Birmingham New Street and Leeds. All sites are strongly focussed upon information-sharing, joint briefing and joint deployments as required. Culturally we need to build and maintain trust and confidence between policing and non-policing partners (primarily private security contractors and station management teams) such that information, intelligence and feedback is readily shared. We also want to increase the intelligence harvest from non-policing partners. And – importantly – we need to divide precious labour across a variety of tasks in order to maximise our joint effectiveness.

Policing and non-policing partners are brought together on a daily (and sometimes twice-daily basis) for joint briefing. The teams are briefed by a duty BTP Sergeant or Inspector and a common information picture then emerges of resourcing numbers for the day ahead (from all agencies), nuisance and crime-generating nominals regularly seen on the station or its environs, the preceding 24 hour crime picture, hotspot locations and people to be on the lookout for – people who are wanted or persons of interest. Non-policing partners are encouraged to support patrol efforts at hotspots between any contractual patrol obligations they may have, and they also have access to a briefing product which emerges weekly from BTP Collators, which can be readily accessed through the 'Egress' website. This briefing pack on their mobile phones supplements their daily briefings with BTP. A full Data Protection Impact Assessment has been carried out and we are confidently sharing information strictly for a policing purpose, but in a regular, consistent and reliable way that our non-policing partners have not experienced before.

- 4.1. **Industrial Action** – As we are all aware, the RMT union recently undertook widespread industrial action on the 21st June, 23rd June and 25th June. The 21st of June saw approximately 50,000 railway workers support strike action causing widespread disruption across the rail network. This included staff from Network Rail, 13 train operating companies and London Underground, followed by up to 40,000 workers taking action on the two other days.

In anticipation of the disruption and potential ramifications of strike action and demonstrations, BTP implemented a command team led by Assistant Chief Constable

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Allan Gregory as Gold Commander and Superintendent Mark Lawrie as Silver Commander. Our response centred on a partnership approach with the intention to facilitate a peaceful picketing process and to preserve order as a consequence of industrial action across the UK's railway network. We fully understood that picketing activity did not always require our presence and we kept communication channels open to ensure partners and those undertaking the action understood our approach to ensure further mitigation of any disruption and effective deployment, balancing the risks posed by volatile strike activity, passenger crowding and associated disorder issues particularly at critical infrastructure points, and the increased risk of specific crime types linked to the suspended train services (theft, trespass, graffiti).

Our officers maintained a high-profile presence at their deployed locations and were thoroughly briefed on the relevant legislation surrounding industrial action with a particular emphasis on communications and positive engagement. This ensured that we were proactive in challenging any confrontational behaviour intended to prevent people attending their place of work but also respecting the right to peaceful protest.

5. A MODERN AND INCLUSIVE WORKPLACE

5.1. **Inclusion & Diversity – Race Action Plan** – On the 24th May, the Police Race Action Plan was published. The plan aims to improve policing for Black people by bringing about meaningful and sustainable change in a way that it never has before. Last year, the Macpherson Report: 22 Years On, found that deep rooted and unjustified racial disparities still exist throughout policing. The Joint Committee for Human Rights actually found that 85% of Black people in the UK are not confident that they would be treated the same as a white person by the police. There are hundreds of powers that policing is entrusted to use every day – the scope for this work is vast.

As the lead for this section of the Police Race Action Plan, I will be focussing, at least initially, on where I believe reform will have the greatest chance of reducing racial disproportionality and improving trust within the Black community. This includes powers that are felt heavily by Black people. Specifically, this workstream will focus on taser – which is six times more likely to be drawn or discharged on Black people; Stop and search – where the rate is seven times more likely if you are Black; Use of force - five times more likely to be used on Black people; and traffic stops, which is felt to be racially disproportionate, yet we don't currently record the data in a way that shines a light on this.

The principle elements of the plan are to **look** harder at our data and utilise it more creatively as an enabler as well as to challenge ourselves and ensure we are accountable. We need to **listen** better, especially during the execution and evaluation. Whether we like it or not, the top of policing is very white. In positions of power, we lack the lived experience

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of our own Black officers and staff, and members of the communities we serve. This should be based on feedback from our communities and critics which will often make for difficult listening but will be central to achieving true legitimacy. We need to **learn** more about our history. About how each interaction with a Black person is uniquely loaded with generations of mistreatment and mistrust – every action we take can be felt differently and we need to appreciate why. And finally, we need to push forward **reform** and open ourselves to change and trying things in different ways.

This plan gives us strong roots to achieve all of the above. It is necessary to push this now, with all our weight and crucially ensure that real change lands and this is not viewed as a tick box exercise. Because when community confidence is as fragile as it is, no one will tell us anything – it's policing with the lights out.

5.2. Special Constabulary Taser Deployment – On Friday 27 May, some of BTP's Special Constables became the first in England and Wales to carry Taser, truly a historic moment for the force and one which attracted national media interest. The principle of some Specials carrying Taser was approved by the NPCC in April 2020, but only once full representation was available to Specials through membership of the Police Federation. In January 2021, BTP's Specials became the first to be members of the Police Federation and Home Office forces will follow this July. With Federation representation – an important part of showing we are focussed on our peoples welfare – Special Chief Officer Ben Clifford worked with internal and external stakeholders to put the necessary processes in place resulting in 22 of our experienced Specials being approved to complete the same three day training course that full-time regular police officers take on use of Taser. I am pleased to say that all of those who undertook the training passed the course and, soon after the Home Secretary announced the change of licencing conditions to allow Specials to carry Taser, we acted becoming the first force to allow this. I believe allowing Special Constables to carry Taser is the right thing to do, and responds to our need to ensure that our Specials have the right equipment to fully augment our operational capability. However, I did note that there was some negative coverage in the media questioning whether Special Constables were capable and competent enough to carry a Taser and meet the associated responsibilities that comes with this equipment. Whilst I heard these concerns, I also reflected on the fact that one of the first Specials to be issued with a Taser within Force was an Airline pilot who will, on a daily basis, accept and manage significant risk and responsibility for hundreds of people.

Whilst mentioning our Special Constables, I'm also pleased to say over the Queen's Platinum Jubilee, they worked 112 duties. This included assisting directly at events such as the policing of the Epsom Derby, the parade and concert at Buckingham Palace as well as the many other events on around the country that weekend. This demonstrates how motivated our volunteer officers are and how they quickly step-up when there are

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times of high demand – yet another example of their dedication and commitment to keeping the traveling public safe.

5.3. Violence Against Women and Girls (VAWG) – In May, BTP submitted three proposals to round four of the Safer Streets Home Office funding process. The fund supports initiatives that will reduce VAWG offences within public spaces and increase feelings of safety from VAWG and ASB. Our bids are summarised below, and the results should be known in late July.

- Tackling Football related VAWG offending: Our primary bid seeks to address the prevalence of VAWG criminality with football and compliments the wider engagement work BTP is undertaking with organisations, such as the Premier League, to collaboratively formulate solutions to tackle football offending. The principle foundation for the bid is to uplift current front-line policing resources directed to football and events with the intention of creating an improved environment for women and girls as well as rail staff who are also impacted by these offences.
- Improved CCTV Connectivity Bid: The secondary bid seeks to enhance our current CCTV capabilities. BTP's CCTV hub is able to monitor and respond to real time incidents and support event management. The bid seeks to increase the number of stations which can be monitored in 'real time'. The aim is to use the improved capabilities to assess movement and activities at night time economy hotspots to inform deployment and intervention decisions in-order to tackle all forms of VAWG and behaviours which make women and girls feel unsafe on the rail network.
- Drone Bid: The tertiary bid aims to reduce incidents of ASB and VAWG offending through a combination of novel tactics including: the deployment of tether drones to both deter offences and improve Police response; the use of an educational outreach programme based on VR technology aimed at educating people about the dangers of the railway; a peer-to-peer communications campaign designed for and by students aimed at educating young people around the dangers of the railway and the impact of their behaviour and finally the use of 'trusted persons' scheme to provide a visible means of reassurance. This initiative will be focussed on the Manchester Victoria to Bolton line.

I also wished to mention that BTP's Travel Safety App (Railway Guardian) will be launched on Monday 4th July 2022. The app will provide the rail community with a one-stop-shop for tools and advice to assist in their safe travel across the railway. The app includes hints/tips for staying safe and advice on calling out inappropriate behaviour (VAWG related). App users have the ability to report crime directly to us via 61016 or our online crime report system, as well as a function to report safety issues directly to the rail operators. The app also contains links to support to support organisations and has a

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'survey function' allowing BTP a new tool to engage with the public. Alongside the launch of the Railway Guardian app is the 'Speak up, interrupt' campaign. The campaign aims to encourage the public to become an active bystander in situations where they feel safe to do so and ties into the Rail Delivery Group's zero tolerance on rail sexual harassment campaign.

Operationally, a £300k Proceeds Of Crime Act (POCA) bid was successful in attaining the financial support for an uplift in operational VAWG activity. Divisional leads can bid for funding via the Sexual Offences Management Group to assist in expanding operational activity to tackle VAWG offending. This compliments the VAWG patrol uplift where non-frontline officers are undertaking two operational VAWG focussed patrols per month.

- 5.4. **Pride Month** – I was really heartened to see so much activity and support across the Force during June for Pride Month. This is an additional opportunity for the LGBT+ community and its allies within BTP to celebrate acceptance and diversity. It allows the community to celebrate successes of those LGBT+ role models in society but also to raise awareness of the historical events such as the Stonewall riots which occurred in June 1969.

Our people across the Force have shown their support for the LGBT+ community by wearing visible representation such as a lanyard or pin badge. BTP have also changed its Community Events Policy as it was not compatible with our current values of being modern and diverse. This change allows divisional commanders to decide on attendance levels of events away from BTP jurisdiction, and for our people to book on duty if attendance at an event is required for community engagement, this includes pride events which are taking place throughout June. This shows that as an organisation we care and will support our people in celebrating themselves and others.

Throughout pride month our Neighbourhood policing teams have been engaging with local pride events ensuring there is a visible presence at the nearest railway stations, as well as carrying out train patrols to ensure that passengers get to and from events safely. They have been using these opportunities to engage with communities and to explore recruitment opportunities with them. For example, for York Pride, the local BTP team are advertising particular train services that have a BTP presence to make passengers onboard feel safer going to an event.

6. OUR SERVICE DELIVERY

- 6.1. **HMICFRS Inspection** – "British Transport Police can rightly be proud of the service it provides to victims of crime." That's the conclusion that HMICFRS reached in its inspection of the service we provide to victims of crime that took place late last year. Released to the public in May, the report went as far as to say: "In some areas, such as the recording of crime, it is very good indeed."

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It's brilliant to receive such strong recognition after a rigorous inspection that required inputs from teams from across the Force who had to speak with inspectors. It demonstrates what we all know – our Values are our organisational DNA; we're proud to protect and we care deeply about the service we provide victims of crime. Of course, in the spirit of striving to be better every day there were areas we can be better at, and we will be swiftly addressing the recommendations.

At a time when policing is under increasing scrutiny, I am proud of the results of the inspection and our people on how they treat victims with the service and respect we'd all expect.

6.2. Investigation and Solved Rates – This is an area which has become a particular focus and will increasingly do so over the next year as we must do more to secure the confidence of our victims and bring offenders to justice. Crime on the railway has increased significantly, but at a lower rate than passenger numbers. As of 17th June, we had recorded 3,835 more crimes Year To Date (YTD), a 40% increase on 2021/22. Our focus remains on the crimes that cause the most harm and we are solving more crime in our strategic priority areas. However, our Priority Threats have seen above average increases in crime, negatively impacting our Solved Rates:

- Serious Violence has risen as the network has become busier and, starting from a low base, 43 more crimes is a 61% increase YTD. So, despite solving 43% more crimes, our solved rate is currently 19.5%.
- We continue to actively encourage greater reporting of Sexual Offences and have recorded a 45% increase YTD. So, despite solving 5% more crimes in relation to sexual offences, our solved rate is currently 11.9% and we are working hard to increase this still further.
- The railway has been impacted by a wider increase in Robbery in the southeast of England with a 64% increase YTD. 89% of reported Robbery occurs in B Division. We are solving 3% more crimes, our solved rate is currently 12.3%.

For 2021/22, the year-end solved rate was 16.3% of all recorded crime, a +1.5% improvement on our 2019/20 reference year. Our current Solved Rate for Recorded Crime is 14.4% YTD a figure I want to dramatically improve.

We have, however, a number of challenges which we need to address to enable improvements in our performance. Our Crime command is currently managing a 19% vacancy rate, which negatively impacts on our ability to accelerate the investigative process and resource these effectively. However, we anticipate that, with the imminent arrival of our first cohort of Direct Entry Scheme for Detectives, utilisation of Police Staff Investigators and a range of other innovative recruitment activity, this vacancy gap will

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narrow by the autumn. Similarly, the Force presently currently screens in a significantly higher percentage of total crime in comparison to other Police Forces. This was recognised by HMICFRS in a 2021 assessment of BTP, and we are currently reviewing our Force Crime Assessment and Allocation Policy.

Our plan to improve Solved Rates comprises the following four strands:

1. Detailed Baseline Assessment: We are currently examining our investigative lifecycle and its component stages in detail, with initial focus on allocation of investigations, the spread of officer caseloads, and reviewing resource alignment.
2. Addressing a range of Crime recording, process and administration issues.
3. Continual Improvement: Ongoing work reviewing opportunities to improve what has already seen enhancements, such as our ID Suite Remodel. This work includes assessment of our support for supervisory reviews and Niche investigation templates, always seeking to improve our management of lines of enquiry and actions to locate Outstanding Names Suspects. Our reviews are being undertaken crime-type-by-crime-type and will be supported by focussed and structured engagement with our Detective Sergeants and Inspectors.
4. Upskilling: We acknowledge a need to build greater capacity and improve investigative capability, throughout our frontline Divisional and Crime staff, to ensure all investigations are brought up to standard. This work includes refreshing our training needs assessment, reviewing our training budget and processes to provide feedback and support the ongoing development of our investigators.

7. RECOMMENDATIONS

- 7.1. That the content of this report is noted by Members.

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Report to: Full Authority
 Agenda #: 13
 Date: 29 June 2022
 Subject: Chief Executive's Report
 Author: Hugh Ind, CEO
 For: Information

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BTPA Goals

- We want to be a well-run Arm's Length Body, trusted by all our stakeholders.
- We want to promote & enable a modernised and inclusive culture in the BTP.
- We want to provide effective, supportive and challenging police oversight for today and tomorrow across the full range of BTP activity.
- We want to develop our vision for security and lead the conversation with industry and DfT to improve outcomes for industry and passengers.
- We want to drive transformation and ensure BTP is respected for their specialism by the rail industry and for their innovation across policing.
- We want continuously to deliver efficiencies and keep improving productivity.

1. Purpose of paper

- 1.1 To update and inform Members of current issues and activity relevant to the British Transport Police Authority.
- 1.2 To complement the associated report of the Chief Constable provided at the Full Authority's 29 June 2022 meeting.

2. Strategic Financial Issues

2.1 2021/22 Outturn

Outturn for 21/22 is reported as a net overspend of £1.3m. This constituted a £6.3m underspend against budgeted pay costs with compensating non-budgeted expenditure elsewhere (of which a £2.5m overspend on overtime was the largest element). Whether to charge out or absorb this £1.3m overspend will be one of the many variables on which the Authority will need to take a decision when considering the next MTFP (and industry charges for 23/4) before the end of this calendar year.

2.2 Reserves

The cash balance at year end was £17m higher than opening cash. Main factors were the earlier receipt of TfL payment (£11m - as per a planned improvement in the timeliness of payments), receipt of (£3m) DfT Covid 20/21 funding in 21/22 and (£1.1m) Axis House compensation higher than forecast. On 23 June, Audit Committee was asked to note a refreshed reserves strategy which should help free resource to manage some of the outstanding financial pressures BTPA faces.

2.3 22/23 In Year Risk

i) Pay Risk

The budget for 22/23 was built on an assumed 2% pay rise for officers and staff. This is now unlikely to hold. Home Office/HM Treasury are expected to announce the pay award for Home Office police officers towards the end of July. Inflationary pressures are compounded in policing by the final push towards HMG's 20,000 uplift in police officer numbers. All Home Office Forces are under considerable financial and political pressure to complete that uplift. One impact has been the Metropolitan Police Service offer of a £5k 'bonus' to transferees from other Forces. The Chief Constable has spoken to Performance and Delivery Committee, People and Culture Committee and DfT about the pressures this places on BTP recruitment and retention. Her complementary update today highlights this issue and she plans to bring a proposed enhanced offer to People and Culture Committee next month. That will create a financial pressure for 22/23 and beyond.

ii) IT Fundamentals

On 23 May, Members had a briefing following an IT Peer Review conducted by MPS at the end of 2021. A focus of that presentation lay in fixing the fundamentals of the current IT provision. The

presentation valued the necessary extra investment at £1.3m in 22/23 and a further £2.3m annually thereafter. The Chief Constable and I have agreed that funding for this year can be found from other opportunities. Provision for future years will be the subject of further and separate discussion as part of the MTFP. In my judgement, the elements of the proposed IT recovery programme are sufficiently discrete that they don't require further BTPA approval beyond agreement on from where the overall funding is to come.

iii) A Force on the Move

The Authority has before it today some papers setting out the financial pressures in delivering A Force on the Move – in 22/23 and beyond. These were discussed at length at Strategy and Planning Committee. BTPA Executive view is that the headroom created by recruitment and retention difficulties in 22/23 means AFOTM investment in 22/23 can be funded without access to Reserves – and that investment in future years should be resolved as the new MTFP is agreed in December. Were 22/23 spend to accelerate beyond current expectations, we would expect the Authority to look favourably on supporting AFOTM from Reserves – subject to a clear understanding of, and confidence in, delivery of the benefits. Again, such decisions are unlikely to be needed much before the end of this calendar year.

iv) Pay Miscalculation

A separate paper for this Authority meeting explains that the 22/23 budget calculation was based on an inflated view of 21/22 pay. As such, we have charged out to PSA holders £3.2m more than would be needed to support a 2% pay rise in 22/23. We propose to review the situation once the 22/23 Pay Award is made – the error in using an inflated view of 22/23 pay will be balanced with the 'error' in assuming a 2% pay rise in 22/23. Once the net impact of those two 'errors' is clear, we will bring a further decision to the Authority re handling any remaining excess or deficit.

2.4 Remaining MTFP Pressures

Strategy and Planning Committee considered BTP's proposals for the funding of A Force on the Move presented separately from other pressures over the MTFP period not directly associated with A Force on the Move. The Committee was uncomfortable that these other pressures exceeded £100m over the MTFP period. They asked for a fuller exploration of these pressures, and their potential mitigations, before

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committing to future funding for A Force on the Move. A paper on these potential £100m pressures (and others unquantified) is before the Full Authority today and it seeks to build a common understanding between BTPA and BTP of how such pressures **could** be managed, such that A Force on the Move can confidently be funded in the meantime.

2.5 Efficiencies

In my update to the 30 March Authority meeting, I reported my concern that ‘we currently lack a sufficiently compelling shared strategic narrative with BTP on future efficiency plans.’ COG colleagues, Sarah and I presented our efficiency plans to DfT earlier this month. While they were grateful to see the (£19m) crystallised plan for efficiencies along with other less developed projects over the MTFP period, they commented that so far this looks like 1% efficiencies over the MTFP period and that is unlikely to be enough to satisfy DfT/the Rail Industry. DfT colleagues commented that a 5% efficiency figure over the MTFP was more likely to win favour and/or BTPA could focus on a commitment to below inflation price increases. We are committed to a further discussion with DfT in the coming weeks and the need to demonstrate efficiencies will become as important to BTPA as the need to manage the pressures covered in the preceding paragraphs.

3. **Leadership, Strategy and Risk**

3.1 Plans

Both our 22-27 Strategy and 22-25 Policing Plan have been published since their approval by the Authority in March. Now we progress to monitor their implementation.

3.2 Assurance Reporting and Risk

The Authority has before it our draft Annual Report and Accounts for approval. It is worth noting, within that Report, the ‘moderate’ rating from GIAA resulting from their internal audit programme in 21/22. This is the second ‘moderate’ rating in succession and follows a ‘limited’ rating for 19/20.

The complementary report from the Chief Constable also recounts the recent and planned inspection activity of HMICFRS in respect of BTP.

3.3 Members

Bill Matthews’ term of office at BTPA is scheduled to end at the end of October this year and five other Members’ terms expire in the first half of 2023. DfT Ministers are yet to take a view in respect of their precise approach, but we do expect a competition for some new BTPA Members to start this September, including a competition for the ‘permanent’ role of Deputy Chair. Separately, BTP’s Strategic Independent Advisory

Group has noted a lack of diversity among BTPA Members and has stated an intention to write to DfT on this point in advance of the next round of appointments.

3.4 Director Data, Digital and Technology

Final Interviews for this new Chief Officer Group role take place on 4 July. Ron Barclay-Smith will Chair the interview panel.

4. **Other Strategic Issues**

4.1 BTPA Goals

Members will note that BTPA's agreed Goals feature at the top of this Report. This is part of our effort to reinforce these Goals as a framework for all BTPA activity.

4.2 NPCC Race Action Plan

The NPCC Race Action Plan has been published since the last meeting of the Full Authority. The Chief Constable's complementary report summarises BTP's plans in response. BTPA has more work to do to rise to Karen Wiesenekker's challenge (from her session on 25 May) to hold her and BTP to account for the delivery of these plans. You can read the [College of Policing/NPCC Race Action Plan here](#).

4.3 Apportioning BTP's costs

Members will be familiar with my impatience with the model which apportions BTP's costs. It is hard to convey the complexity of the calculations involved and the spurious nature of the accuracy of the eventual allocations. Sarah's team have made progress with DfT in their understanding of our issues and holding out hope for simplification even before the creation of GBR. Separate papers for this meeting address the possibilities for progress.

In the meantime, DfT require us to roll over verbatim the terms of Police Service Agreements with TOCs moving onto new contracts with DfT. We are caught in a loop where incremental improvement is discouraged by DfT for fear of unintended consequences across the rail system, yet resource is lacking for the full exploration of those possible consequences. So, we are required to continue to operate an outmoded legal/contractual relationship. The Principles paper before this meeting offers a route to progress before the arrival of GBR.

4.4 Board Effectiveness

This meeting will discuss the report from our 2022 evaluation of BTPA effectiveness and ask for agreement on the action plan to deliver further improvement.

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4.5 Deloitte Report

Deloitte have completed their work on our Code of Financial Governance and on ways of working between BTP and BTPA. While the themes have been incorporated into our Board Effectiveness Evaluation, more detailed consideration of Deloitte's findings will be undertaken by the Exec Team with a view to summarising next steps for Members during the month of July.

4.6 AFoTM Projects

It is worth highlighting two early projects from A Force on the Move which offer some hope for savings and a strategic realignment of resource. Both the work on 'Layers and Spans' and the 'CT Review' should be available for Members to see shortly. The Strategy and Planning Committee has had a briefing on the emerging findings of the 'Layers and Spans' work.

4.7 Manchester Arena Inquiry

Audit Committee continues to take reports on the progress of the Manchester Arena Inquiry and of BTP's response to its findings. The next volume of the report is due for publication in September and the final report in 2023. It should be noted that some parties have already indicated an intention to bring Civil Claims against some of the organisations involved (including BTP) after the Inquiry has concluded.

4.8 Policing and Security

The Chief Constable's update reports on the progress of the pilots aimed at integrating policing and security at five large stations. Kate Carr's complementary report on the current landscape and possibilities for further integration of policing and security in the future is due with BTPA in the first week in July. Discussions will then continue with DfT and GBRTT, amongst others, on where to take this work next.

4.9 Rail Reform

DfT have published a [consultation on legislation to implement Rail Transformation](#). Responses are invited by 4 August 2022 and Executive Team colleagues will consider what value there may be in responding via this route as well as more directly to DfT. Separately, the GBR Transition Team have [published a summary of the responses they have received after their initial call for evidence](#). The first version of their Whole Industry Strategic Plan will be ready towards the end of the year.

5. **Pensions**

5.1 Officer Scheme 2018 Valuation

The Pension Regulator, DfT, BTPA and Railpen continue to meet as a Steering Group. The Regulator has confirmed it plans no enforcement

action against BTPA before March 2023 on what it sees as a failure to act on a £350m deficit. In the Steering Group meeting earlier this month, DfT agreed to press for fuller engagement from HM Treasury, lest we drift towards the Regulator's March 2023 deadline without significant progress.

5.2 Staff Pension Scheme

Treasury officials say they will put to the Chief Secretary a recommendation that we can proceed with the planned new Defined Contribution Scheme for police staff. In doing so, they appear to remain concerned about the BTPA March 2021 decision to fund the £6m deficit from the 2019 valuation of the staff scheme entirely from employer's funds. They may yet return to that decision.

5.3 Actuarial Advice

Tenders for Actuarial advice for BTPA have recently been received for the award of a contract for an initial 5 years with the option of 2 x 12mths extensions. The total contract value across the 7 years is expected to be around £1.3m. Actuarial advice in respect of the pensions schemes for officers and staff forms a significant part of BTPA's spend on professional services.

6. **Controls**

6.1 Redundancies

DfT recently granted retrospective approval for some contractual redundancy payments for BTP mobile vehicle operators at level crossings. The need for retrospective approval resulted from erroneous assumptions that approval would automatically be given. BTP and BTPA are committed to tightening our processes for the future.

6.2 Estates

Cabinet Office controls have recently been tightened such that all property transactions with a whole life value of over £100k require Cabinet Office approval. In the past all operational buildings were exempt – this ruling has now been removed. There are however a limited number of exemptions now listed in the new control, one being property within a railway station/railway land. This would mean that some BTP locations will be exempt from the control. The Executive are clarifying the exact requirements lest all BTP/A property arrangements become caught by this requirement to seek Cabinet Office agreement.

7. **Executive Team**

- 7.1 [REDACTED] (Finance, Audit and Risk Manager) left BTPA on 25 May. [REDACTED] joined as an interim replacement on 20 June to allow time to source a permanent replacement.

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- 7.2 [REDACTED] initial contract with BTPA ends on 4 July. The BTPA Chair and Chair of People and Culture Committee approved my recommendation that her contract be extended until February 2023 to allow her to develop further her work on policing and security, to help BTPA develop its impact on Diversity and Inclusion and for general resilience within the BTPA Senior Executive Team.
- 7.3 [REDACTED] are interviewing candidates for her maternity cover this week. We hope to have this cover in place by the end of August. [REDACTED] is on [REDACTED] leave and is expected to return around the beginning of August.

8. Decisions between Scheduled Meetings (since March 2022)

- 8.1 **A029 Mobile Telephony.** The Full Authority approved a contract for mobile telephony services provided by Vodafone at an expected value of £2.m over three years.
- 8.3 **A030 Body Worn Video.** The Full Authority approved a contract for Body Worn Video provided by Reveal Media at a cost of £5.7m over three years.
- 8.4 Since the last Authority meeting, and acting within my delegated controls, I have
- approved a new 'Unified Communications' telephony contract with FourNet for the full contract value across 5 years (£1.3m). Approval was also given for capital spend on this project (£300k).
 - approved a 3-year licence to occupy at Keston, which is part of the Dog Training Establishment owned and managed by the Metropolitan Police Service. This provides BTP with offices, as well as access to and use of facilities for training police dogs, including kennelling during training courses. The lease at Keston is worth £276k for the life of the tenancy over 3 years.
 - approved a contract for secure mail delivery within BTP at a contract value of £1.2m over 4 years.

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