

Report to: Full Authority
Date: 8 December 2021
Subject: Chief Executive's Report
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For: Information

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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 8 December 2021 meeting.

2. Strategic Financial Issues

2.1 2021/22 Outturn and in year changes

In broad terms, we are expecting 2021/22 expenditure to come in on budget by the end of the financial year. Separately, we expect an imminent grant of £10.3m from DfT to cover the costs of relocation from Axis House to Baskerville House in Birmingham, some urgent remedial estates work and a boost to workplace violence work supported in year by DfT. The compensation to be received this year from London Continental Railway for our early exit from Baskerville House is to be around double what was initially offered at (now) around £1.3m.

2.2 Spending Review

Definitive outcomes from the Spending Review are yet to be communicated to BTPA. But, with its own budget setting powers, BTPA is to a degree insulated from an immediate impact. This said, we remain hopeful for a contribution to one or two lumpier items – e.g. the costs of early electrification of the fleet.

2.3 22/23 BTP Budget and MTFP

This meeting has before it recommendations to approve a budget for BTP and for BTPA in 22/23. There are some large and unavoidable cost increases for BTP such as :

- Employers NI increase
- Increase in ongoing employer contribution to staff pensions
- Payment for historic shortfall in staff pension scheme

- Assumed 2% pay rise for all employees
- Spine point rises in addition to the pay award

Those costs, in aggregate, broadly take cost increases to 3.8% (in line with RPI). In addition to this, BTPA has previously endorsed a £3m uplift in core policing for the Elizabeth Line when it opens in 2022, taking the overall increase in proposed charges above RPI for this year.

2.4 Reserves

The 22/23 Budget for approval does not yet include advance funding for elements of 'A Force on the Move.' A separate paper recommending a different approach to Reserves Management is intended to pave the way to free some funds for that purpose for further discussion and decision in the New Year.

2.5 Charges

The proposed 22/23 Budget is likely to result in an overall increase in charges to PSA holders of around 4.8%. How this is allocated between the various PSA holders is determined by our Cost Allocation Mechanism. As with last year, we are unlikely to be fully confident of the inputs and working of this Mechanism in time to ask Members to approve charges for communication before Christmas. We should be able to do so early in January. Much of the data used for the 22/23 allocation will come from the pandemic affected year of 20/21. So, we need to take extra care.

Yet again, the process of collecting the data and operating the Cost Allocation Mechanism has convinced us that we are operating a system more fit for a bygone age. The attempts at precision in the collection, recording and checking of crime data (in particular) consume vast amounts of time within BTPA Exec and within BTP. Much of this data is used for no other purpose than the allocation of costs between PSA holders. It seems very clear that this level of precision will not be appropriate in the GBR world. It seems pretty clear to me, too, that it already involves disproportionate effort. However, the difficulty of changing PSA contracts, achieving DfT Secretary of State approval and of achieving unanimity across all interested parties when the precise GBR arrangements are some way off, leaves us defaulting to the existing intricate system. Even the seemingly simple step of deciding not to 'wash up' the 20/21 charges due to the dislocation of the pandemic is not without risk – as described in a separate paper. I will return to this subject. In my view, BTPA will need to invest in a project to change the current arrangements and will need to be courageous in leading the change across the industry,

3. Leadership, Strategy and Risk

3.1 Deputy Chief Constable

All Members will by now have met Alistair Sutherland at least virtually. I want to add my personal formal welcome to him and to say how much I look forward to working with him.

3.2 Authority Members

Sadly, this meeting is to be the last for Andrew Pollins and Stella Thomas as Members of BTPA. Both have served on the Authority for more than 8 years and the significance of their contribution has been clear to me during my mere 2 ½, pandemic affected, years with BTPA. This note is my opportunity to thank them so much and to wish them both well.

HMG has yet finally to confirm the selection of new Members of BTPA for 2022. We will share information on this as soon as it becomes available.

3.3 COG Structures and Ways of Working

Members responded to a 25 October note on BI (A020) asking for input to a review PA Consulting are doing for Lucy D'Orsi on COG structures and ways of working. I expect PA to have given their considered thoughts to Lucy before Christmas.

3.4 BTP/A Service Level Agreement, Scheme of Delegation etc

In my note to the September 2021 meeting, I mentioned a Request for Quotes for some outside support to help us update our Service Level Agreement with BTP (last updated 2010), the Scheme of Delegations and to advise on other opportunities in respect of BTP/A working - especially now we are collocated in FHQ. We expect to make an award for this work very shortly and for the work to begin in earnest in January.

3.5 Board Effectiveness

This meeting will take a separate paper on proposals for our 2022 Review of Board Effectiveness as part of our quest for continuous improvement. I hope this review will reflect that BTPA has moved into a broader oversight role over the last 2 years (less of an exclusive focus on finance and more into 'classic' police oversight territory). For my part, I still think there is more BTPA collectively can do to support and challenge BTP on Equality, Diversity and Inclusion matters. I also think BTPA needs a better feel for the existing landscape of community feedback to BTP (e.g. via Independent Advisory Groups, Stop & Search groups and others).

We plan to show Members a picture of existing community feedback shortly. My broader points can wait for the BEE exercise in the New Year.

We have a date of 1 February booked to pursue the Board Effectiveness work with, we hope by then, the valuable perspectives of 5 new Members of the Authority.

4. Other Strategic Issues

4.1 IT Review

Terms of Reference for a Peer Review of BTP IT were shared on BI on 14 October (B110). Metropolitan Police colleagues have now completed the Review. They have recently presented findings to the Chair, Deputy Chair and Audit Committee Chair.

4.2 Violence Against Women and Girls

This meeting will take a separate paper from BTP on their overall work in respect of combatting violence against women and girls.

4.3 Legally Qualified Chairs

Of some relevance to the work on violence against women and girls is the current dispute between the Home Office and Legally Qualified Chairs of Independent Conduct and Discipline Panels. The Chairs have said they want legislation to protect them from any personal litigation on the back of their decision as a Panel Chair. The current indemnity offered by PCCs (and BTPA) does not suffice for them. LQCs have recently declared they will no longer sit on Panels until the matter is resolved to their satisfaction. The Executive is assessing with BTP what impact this may have in practice while the dispute continues.

4.4 Manchester Arena Inquiry

B108 on Board Intelligence covered Lucy D'Orsi's interim update to the Inquiry on Chapter 1 of its Report. A final update is anticipated this month. The Executive Team stays in touch with BTP on the publication dates of future Chapters. Audit Committee is establishing oversight of the implementation of recommendations on behalf of the Authority.

4.5 Safer Streets App

In my September update to the Full Authority, I explained I had authorised BTP to go to market for the development of an app to contribute to keeping women safe. This was in advance of Cabinet Office approval for the IT spend and in advance of Home Office confirmation of a £550k grant. I authorised the tender

exercise on the basis that the app needed to be developed in 21/22 and to await Central Government clearance would have ruled out the chance of delivering to that timescale.

- 4.6 Since the September meeting, the Home Office have agreed a grant, but the Cabinet Office have refused the expenditure on the IT application. We must now engage further with the Cabinet Office and in doing so test the strength of our case to proceed and commit the Home Office grant in the face of a Cabinet Office refusal.

4.7 MPS Custody



4.8 BTP Performance

All Members can see summaries of BTP operational performance on BI (B101, B105, B118 are the most recent examples). Performance is the subject of closer focus at the quarterly meeting of Performance and Delivery Committee. But other Members have little chance to see and discuss current trends in operational performance. I am interested to know whether Members outside PDC find the updates on BI illuminating and adequate.

4.9 Policing and Security for the Future Railway

After further conversations with DfT, Lucy and I have agreed two interventions to progress how policing and security for the railway should look in future. As noted in Lucy's parallel paper, BTP will drive five pilots at stations to test different methods of bringing together all those with contributions to make to security and ensuring passengers feel safe. Separately, BTPA will employ someone for six months to produce a description of the current arrangements across GB and to help identify the key opportunities and decisions needed as DfT and GBR build towards the future rail structure.

5. Pensions

5.1 Staff Scheme Valuation

The consultation on increasing employee pension contributions concluded at the end of November. The Executive Team may need to ask Pension Working Group, People and Culture Committee and/or Full Authority Members to take decisions in correspondence in order to facilitate increases in staff contributions payable from 1 April. BTPA is already paying £1.3m a year for six years to pay

off the deficit. It is also paying an increased employer contribution to reduce the risk of a future deficit and it has been paying the equivalent of the employee contribution increase, too, during most of 21/22.

5.2 New Staff Scheme

Executive Team colleagues continue to press for Secretary of State approval for the introduction of a new Defined Contribution pension scheme for police staff in line with the decision taken by the Full Authority on 24 March this year.

5.3 Officer Scheme Valuation

Executive Team colleagues have kept the Pension Working Group up to speed with progress on concluding the 2018 valuation of the officer scheme.

6. **Executive Team**

6.1 B115 on Board Intelligence records the Chair's praise for Lynsey Marshall's Institute of Directors Award as Director of the Year in the Third and Public Sector Category for her work at the Crystal Palace Park Trust. I want to record my admiration here too.

6.2 John Babalola arrived on secondment from the Home Office earlier this year to devise and implement a new framework for the development and monitoring of EPSAs. John completed that work and left BTPA at the end of November on a career break from the Home Office [REDACTED]

6.3 Kate Carr, a Senior Civil Servant on a career break from the Home Office, will join BTPA Exec for 6 months from the start of January to develop our work on the policing and security of the railway for the future.

6.4 The Executive Team are enjoying our new accommodation on 4th floor at FHQ. Team members are aiming to be in the office for at least one day a week. I imagine that situation will continue up to the end of January, pending other developments in the pandemic.

7. **Data Breach**

7.1 We want to update you regarding a data breach that we recently discovered following a subject access request. Several documents, which should have been secure, were sourced during a web search using a search engine such as Google. We referred the facts to the Information Commissioner's Office (ICO), who subsequently advised that they are satisfied with our response, deeming the actions we carried out to be appropriate.

- 7.2 In brief, in 2013 a number of documents relating to the recruitment of new Members were uploaded to a secure area of the website which was used at the time to facilitate the sharing of documents to existing BTPA Members. It appears that these documents were not deleted from this area of the website when it was deleted from our main server. The method of data sharing with Members used at the time has not been in practice for a number of years, and we were unaware that this data existed on the “back-end” of the website. Our current use of Board Intelligence is unlikely to expose us to this risk.
- 7.3 Working with our website developers we investigated the root cause of this incident and ensured that all relevant documents have been deleted or are no longer accessible. Additionally, we also reviewed our current storage of data from an Information Policy Management perspective and ensured that our website security is robust.

8. Decisions between Scheduled Meetings

- 8.1 **A021 Contract Award – Temporary Staff [17 November 2021]**. The Full Authority, following scrutiny by its Strategy and Planning Committee, approved entering into a contract with Reed for recruitment of temporary staff and contractors for the Force. In approving the contract award, the Authority authorised the Chief Executive to sign the associated contract on behalf of the Authority.
- 8.2 Strategy and Planning Committee noted that a Full Authority approval of the contract was requested under the Code of Governance out of an abundance of caution, given the overall value of services to be provided via the contract was £5m. That said, specific costs payable to the supplier for **sourcing** these services under the contract to be approved were much lower and fell within the Chief Executive’s delegation. The Committee noted the value threshold at which contract awards were delegated from with Members would form part of the forthcoming review of the Scheme of Financial Delegations. Wider scrutiny can be reviewed in the Committee minutes on [Board Intelligence here \(Item 9\)](#).