

[18 March 2025] Agenda Pack / Audit and Risk Assurance Committee

MEETING
18 March 2025 10:30 GMT

PUBLISHED
13 March 2025

WEBSITE

Agenda

Location	Date	Time		
Microsoft Teams	18 Mar 2025	10:30 GMT		
Item	Owner	Time	Page	
1 Apologies	Chair	10:30	-	
2 Declarations	All		-	
3 Minutes	Chair		4	
4 Actions	Chair		14	
4.1 [Background Pack] Action 2/2024 - Strategic Risk Roles			-	
4.2 [Background Pack] Action 24/2024 - Finance Assurance Board Summaries			-	
5 Joint Risk Management Update Q3 2024/5	Joint BTP/A	10:40	18	
5.1 Joint Strategic Risk Register Q3 2024/5	Joint BTP/A		23	
5.2 [WITHDRAWN] [Background Pack] Strategic Risk Deep Dive / Wellbeing, Health and Safety			-	
5.3 [Background Pack] Strategic Risk Deep Dive / Cyber			-	
5.4 [Background Pack] Action 22/2024 / Force Strategic Risk Tree			-	
6 Chief Financial Officer's Report Q3 2024/25	Chief Financial Officer	10:55	39	
7 BTP/A Counter-Fraud Update Q3 2024/25	Risk and Assurance Manager	11:10	50	
8 Going Concern Assessment 2024/25	Joint BTP/A	11:15	56	
9 Update / Cash Reserves Management 2025/26	Joint BTP/A	11:20	60	
10 Management Assurance Return 2024/25	Joint BTP/A	11:30	62	
11 Functional Standards Review	Risk and Assurance Manager	11:45	67	
Recommended Break Point		11:50	-	
12 Deputy Chief Constable's Report Q3 2024/25	Deputy Chief Constable	11:55	69	
12.1 Biannual Oversight Mapping Dashboard / March 2025			91	
13 Verbal Update / HMICFRS Inspection Programme 2025/28	Joint BTP/A	12:10	-	
14 Internal Audit Progress Report	Head of Internal Audit	12:15	100	
14.1 [Background Pack] Internal Audit Report / Payroll			-	
14.2 [Background Pack] Internal Audit Report / Business Continuity			-	

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	Item	Owner	Time	Page
14.3	[Background Pack] Internal Audit Report / Cyber Security			-
14.4	Internal Audit Plan 2025/26			114
14.5	[Background Pack] Internal Audit Charter and Memorandum of Understanding			-
14.6	[Background Pack] Internal Audit Supplement			-
15	External Audit Planning Report	NAO	12:30	144
16	Update / KPMG Ways of Working	KPMG	12:40	174
17	Committee Training Plan 2025/26	Risk and Assurance Manager	12:45	179
18	Committee Effectiveness Action Plan 2024	Board Secretary	12:50	181
19	Workplan	Chair	12:55	184
20	Any Other Business			-

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AUDIT AND RISK ASSURANCE COMMITTEE - ACTIONS

Reference	Date	Action	Owner	Due Date
2/2024	11 March 2024	Those present discussed the fact the register was a joint document yet, in practice, the majority of the risks were solely owned by the Force. The Deputy Chief Constable felt a debate on future ownership of the register would be helpful, particularly on how to best capture how the Authority was contributing to target scores of each risk. Both Members and the BTPA Executive were supportive of a discussion being convened, both to address the Deputy Chief Constable's points, as well as securing more timely risk reporting during quarterly meeting cycles where the Executive were adequately consulted.	Chief Financial Officer	<p>Completed Following a meeting between the Deputy Chief Constable and BTPA Chief Executive, the risks were reviewed and it was agreed to have joint ownership, with both owners identified and BTPA controls shared with BTP.</p> <p>A GIAA Risk Management audit recommendation to formalize the process of strategic risk management between BTP/A has been drafted – see background paper.</p>
14/2024	5 July 2024	Members agreed that, in light of comments made, it would be appropriate to convene, variously, a 23/24 external audit washup meeting with NAO/KPMG, a preliminary meeting with NAO/KPMG for the 24/25 external audit, and a BTPA planning meeting to discuss its approach to external audit	Risk and Assurance Manager	<p>Completed November Update: Debrief took place on 26 September 2024. Actions were agreed for all parties: BTP/A, KPMG and NAO.</p> <p>A planning meeting was held on 28 November 2023 and a more detailed plan was discussed – see item 26/2024.</p>
16/2024	25 September 2024	The Deputy Chair noted that BTP/A Joint Strategic Risk Register reporting could perhaps be enhanced by including a risk <i>velocity</i> rating to denote the speed at which a risk was likely to affect the Force and Authority – he had seen such reporting on peer arms-length bodies and would be happy	Head of Audit and Assurance / Risk and Assurance Manager	<p>Completed Deputy Chair provided on 18 November 2024 introduction for Head of Audit and Assurance and Risk Management Lead to meet Department of Education risk contacts to discuss risk velocity framework. BTP met with DfE counterparts and</p>

AUDIT AND RISK ASSURANCE COMMITTEE - ACTIONS

		to assist the Force and Executive in incorporating it into their reporting		learned that DfE risk velocity approach is at early stage.
17/2024	25 September 2024	The Deputy Chief Constable noted that any EPSA position needed to be seen in the context of forthcoming Cost Allocation Model reform, and that any step change plan to move towards a revised approach would benefit from being articulated in writing following consultation between the Authority and the Force. The Chair felt this would be helpful, in light of Medium-Term Financial Plan (MTFP) development and noted any position needed to emphasise pragmatism whilst the Authority was awaiting clarity on Great British Railways	Chief Financial Officer / Deputy Chief Constable	Complete Whilst not articulated in writing, there has been a number of approvals for EPSAs since the action arose as BTPA have taken a more pragmatic approach to recent submissions and will continue to so
20/2024	20 November 2024	<i>Prior to the meeting, the following Members undertook training session about the Audit Committee role based on the HM Treasury Handbook with BTPA Chief Financial Officer and Risk and Assurance Manager. Kenna Kintrea, Andy Cooper, Abdul Elghedafi, Emir Feisal, Brian Lynch, and Mel Morton attended. An action was taken to provide Members with more information on the Risk Control Framework and provide a summary on upcoming changes to the Orange Book.</i>	Risk and Assurance Manager	In Progress GIAA Training slides from 21 November 2024 uploaded to Topical, Legal at Regulatory Briefings bookshelf on BI – these include reference to RCF. BTP to review compliance with RCF and will present Orange Book changes. Timing to be confirmed with BTP Risk Management Lead.
21/2024	20 November 2024	The Chair recommended the escalation of Estates to a strategic risk be brought to the Full Authority for approval and allocation to a committee for oversight.	Chief Financial Officer	Completed Approved in correspondence on 13 January 2025 as Serial A069.

AUDIT AND RISK ASSURANCE COMMITTEE - ACTIONS

22/2024	20 November 2024	The Chair asked when the committee would have sight of the Force risk register, which has been outstanding for some time. The Chair asked for a one hour briefing with ARAC Members before the next ARAC on Force risks.	Member Engagement Manager / Risk and Assurance Manager / Head of Audit and Assurance	Completed Force Risk Register briefing session scheduled for 19 February 2025 and provision of the register was included in the commission for the March 2025 meeting – a supporting paper is provided as Item 5.4.
23/2024	20 November 2024	The Deputy Chief Constable encouraged Members to attend any of the four upcoming cybersecurity exercise and testing exercises scheduled during the first half of 2025.	Member Engagement Manager	Completed Three BTPA Members attending scheduled cybersecurity exercise on 21 March 2025.
24/2024	20 November 2024	The Chair raised the omission of Finance Assurance Board information for the past two quarters. Members have requested to see summaries out of committee, as soon as possible.	Head of Audit and Assurance	Completed Q1 and Q2 FAB summaries uploaded to <i>Board Intelligence</i> on 5 February 2025. Q3 FAB summary will be reported to ARAC 18 March.
25/2024	20 November 2024	GIAA to circulate the Internal Audit Report on Payroll in correspondence ahead of the March 2025 Committee meeting.	Head of Internal Audit	Completed Uploaded to <i>Board Intelligence</i> on 5 February 2025.
26/2024	20 November 2024	KPMG to share External Audit workplan and offer a briefing meeting with the Chair prior to the March 2025 Committee meeting.	Member Engagement Manager in consultation with Risk and Assurance Manager	Completed Meeting held and workplan shared with Chair and relevant BTP/A team.
27/2024	20 November 2024	Committee Effectiveness Action Plan to be reported to March 2025 Committee meeting.	Board Secretary	Completed On 18 March 2025 agenda.
28/2024	20 November 2024	Committee Effectiveness Action plan to include a proposal on how to encourage Members to devote more time to the Annual Report and Accounts.	Board Secretary	Completed Incorporated into Committee Effectiveness Action Plan on 18 March 2025 agenda.

AUDIT AND RISK ASSURANCE COMMITTEE - ACTIONS

29/2024	20 November 2024	Bespoke shelf on Audit and Risk Assurance Committee bookshelf on <i>Board Intelligence</i> to be created to handle updates from police and government risk forums.	Board Secretary	Completed Shelf entitled <i>Topical, Legal and Regulatory Briefings</i> added to <i>Board Intelligence</i> on 22 November 2024.
30/2024	20 November 2024	A Member noted he attended a recent GIAA ARAC Members' event where there was a good presentation from the DfT. He will circulate the slides.	Board Secretary	Completed Material uploaded to Board Intelligence on 21 November 2024.

WEBSITE

Report to: Audit and Risk Assurance Committee
Date: 18 March 2025
Subject: Audit and Risk Assurance Committee
Training Plan 2025/26
Author: Risk and Assurance Manager
For: Decision

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1. Purpose of paper

1.1 This paper recommends a 2025-26 training plan for ARAC members.

2. Background

2.1 Best practice for Audit Committees is to ensure training is provided to members. In addition to these training sessions, relevant materials will be shared with Members through Board Intelligence.

3. Training Plan

3.1 It is proposed to continue the format of short, sharp training sessions before ARAC meetings. A maximum of 45 minutes per session should be sufficient to provide training and offer a Q&A for members.

3.2 For this year, it is suggested the following training is delivered:

- June 2025: **Accounting Officer Responsibilities (including HMT Managing Public Money) and Annual Governance Statement.** Members have requested more focus on this area, in particular since it is included in the Annual Report and Accounts.
- September 2025: **Innovation.** Civil Service's 'One Big Thing' initiative this year is innovation. There are many innovative digital and data opportunities being discussed across government, in emerging areas where risk will have to be managed. Given Members may be asked to consider 'Investment Fund' proposals, it may be worth sharing some of the government thought leadership behind 'good risk-taking', the Green Book guidance on project decisions and perhaps learn how other agencies have implemented successful innovation and efficiencies.
- November 2025: **Business continuity and resilience.** Understanding the National Risk Register and National Security Risk Assessment. Members can obtain assurance over how this is embedded at BTP/A.
- March 2026: **Whistleblowing, Counter-Fraud, Bribery & Corruption.** One of the roles of ARAC is to ensure that the organisation is operating appropriate and effective whistleblowing practices and whistleblowing should be regularly considered by the Committee. This is therefore a standing agenda item.

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- 3.3 **Additional training is encouraged to be requested by members. BTPA will endeavour to facilitate any requests, whether replacing an item on the indicative plan above or in addition.**
- 3.4 The Board Effectiveness work has revealed an appetite for information on 3LoD and the control environment –these will be dealt with by committee onboarding in the first instance, and/or elements will be incorporated into planned training sessions.
- 3.5 Where relevant, the wider Members may attend the ARAC training sessions too.

4. Risk assessment

- 4.1 The risks relating to this decision have been assessed as follows. Inherent risk (IR: no controls or mitigations) has been scored with impact and likelihood; residual risk (RR: current risk, after applying controls or mitigations) the same. Rationale for the residual score included.

IR	Risk	Mitigation / Controls	RR
I:4 L:2 8	There is a risk that members may not be able to fully execute their duties as an ARAC member, to the best of their ability, if they don't have the requisite knowledge and training. This includes a basic understanding of Audit Committee best practice and ongoing development to cover emerging issues.	The plan above has been suggested in conjunction following review of upcoming issues to ensure members have a full toolkit of information.	I:2 L:1 2 <i>Impact is 2 (low) since there will still be emerging issues</i>
I:3 L:4 12	There is a risk that turnover in the Audit Committee may lead to new members not being trained or those who have received the training going to other committees.	All training materials will be held on Board Intelligence such that current members may revisit the training and new members may review.	I:2 L:1 2 <i>Impact is 2 (low) in case of any timing gaps for new members to be trained or non-attendance</i>

5. Recommendation

- 5.1 ARAC is recommended to endorse this plan.

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Report to: Audit and Risk Assurance Committee

Date: 18 March 2025

Subject: Committee Effectiveness Action Plan 2024

Author: Board Secretary

For: Information

3 Ebury Bridge,
 Westminster SW1W 8RP

E: btpa-enquiries@btp.police.uk

www.btpa.police.uk

Background

1. Members considered a paper regarding a Committee Effectiveness Review in November 2024 and requested sight of an action plan at their March 2025 meeting that set out how each of the Review's recommendations would be met. This is provided as an appendix.

Committee Effectiveness Workstreams

2. Members will note that there are three substantive workstreams upon which delivery of the Action Plan depends. These are,
 - a. **The Committee Training Plan.** This is the subject of a separate paper on your March 2025 agenda. One proposed session (Annual Report and Accounts / Governance Statement) arises from your Effectiveness Review and is scheduled for June 2025. This will be the culmination of a forthcoming programme of Member Engagement designed to provide timely and quality Member input into the Annual Report, as requested at your November 2024 meeting.
 - b. Other proposed sessions in the Action Plan include the BTP's Control Environment (subject to input from Department for Transport colleagues, as per Member recommendations at the November 2024 meeting), and the Three Lines of Defence Model. These are intended to complement the recommended training plan elsewhere on this meeting's agenda, and will likely, in the first instance, be the subject of refresher/onboarding sessions in anticipation of more detailed sessions in late 2026/early 2026.
 - c. **A Committee Engagement Plan.** This Plan will be composed of,
 - i. Chair's Engagement. Primarily this is planned internal engagement with the Force, and Internal Audit and External Audit stakeholders.
 - ii. Committee Member Engagement with high priority areas set out within the BTPA Oversight Map where oversight of the Committee has been deemed *partial*.
 - iii. Earlier Member Engagement with preparation of the Annual Report and Accounts, and in particular the Governance Statement, as requested at your November 2024 meeting.

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- d. **A Committee Onboarding Programme.** A formal onboarding programme will be drafted, shared with the Chair for sign-off, and held on file pending any new Committee appointments made following new BTPA Member appointments scheduled for the end of 2025/early 2026.

Timeline for Delivery

- 3. A proposed timeline towards delivery of the Action Plan is as follows.
 - a. Delivery / March 2025 – September 2025 – with progress reports issued to the June and September 2025 meetings. Key deadlines within this delivery period are,
 - i. March 2025 / adopt in principle the Committee Training Plan
 - ii. April 2025 / provide Committee Appointment Letters (following conclusion of Member Appraisals by the BTPA Chair)
 - iii. No later than May 2025 / Approval of Committee Engagement Plan by the ARAC Chair.
 - iv. September 2025 / Conduct Committee Skills Audit in anticipation of appointment of new BTPA Members.
 - b. Evaluation by BTPA Executive / October 2025.
 - c. Annual ARAC Effectiveness Review 2025 / November 2025.

Recommendation(s)

- 4. That Members of the Audit and Risk Assurance Committee provide their comments on the planned delivery of the Committee Effectiveness Action Plan.

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BTPA Audit and Risk Assurance Committee Effectiveness Action Plan 2024

Committee Effectiveness Review Area	Recommendation	Recommendation	Action	Delivery Deadline
Membership, Induction and Training	1/2024	Enhance Member understanding and assurance of BTP Control Environment	<p><u>1/2024/1</u> Incorporate into Committee Training Plan</p> <p><u>1/2024/2</u> Incorporate into Committee Engagement Plan</p> <p><u>1/2024/3</u> Provide written briefing to ARAC Members as part of onboarding programme</p>	<p>March 2025</p> <p>May 2025</p> <p>September 2025</p>
	2/2024	Refresh Member understanding of the Three Lines of Defence Model	<p><u>2/2024/1</u> Incorporate into Committee Training Plan</p> <p><u>2/2024/2</u> Incorporate into Committee Engagement Plan</p> <p><u>2/2024/3</u> Provide written briefing to ARAC Members as part of onboarding programme</p>	<p>March 2025</p> <p>May 2025</p> <p>September 2025</p>
	3/2024	Formalise Committee Onboarding Programme	<u>3/2024/1</u> Draft Committee Onboarding Programme and hold on file pending new appointments	May 2025
Internal Control	4/2024	Earlier Member involvement in preparation of Governance Statement	<u>4/2024/1</u> Incorporate into Committee Engagement Plan	May 2025
			<u>4/2024/2</u> Incorporate into Committee Training Plan	March 2025
Financial Reporting and Regulatory Matters	5/2024	Establish mechanism to ensure Members are aware of topical legal and regulatory issues	<u>5/2025/1</u> Create and populate dedicated topical legal and regulatory briefings shelf on <i>Board Intelligence</i>	November 2024
Administration	6/2024	Provide clarity and assurance on extent of co-operation between Internal Audit and External Audit	<u>6/2024/1</u> Incorporate into Chair's Engagement element of Committee Engagement Programme	May 2025
General / GIAA Self-Assessment Tool	7/2024	Adopt Committee Member Engagement Programme to complement assurance secured during committee meetings	<u>7/2024/1</u> Draft and adopt Committee Member Engagement Programme	May 2025
	8/2024	Provide Members with Committee Appointment Letters	<u>8/2024/1</u> Provide Members with Committee Appointment Letters following Annual Member Appraisals	April 2025
	9/2024	Conduct Committee Skills Audit	<u>9/2024/1</u> Conduct Committee Skills Audit	September 2025

Audit and Risk Assurance Committee Workplan 2024/25 & 2025/26

[March 2025]

Potential Items for inclusion on future agendas / Member Engagement opportunities:

1. Force approach to Biometrics¹
2. Force workplan towards digital systems integration²
3. Briefing on Force work to improve its asset registers³
4. Walkthrough of upgraded 4Risk⁴
5. Cascade from operational to strategic risk to support discussion on whether Estates and Sustainability should be considered strategic risks⁵
6. Assessment on whether Health, Safety and Wellbeing should be subject to Strategic Risk Deep Dive during 2024/25⁶

Topical items for inclusion on agendas:

7. Strategic Risk Deep Dives
8. Any HMICFRS Reports

Items added since the last meeting are *in italics* / items removed from the commissioned agenda are ~~struck through~~

March 2025	
Committee Training: Overview of Accounting Changes / Best Practice	
Standing / Administrative Items	Suggested Items
<ol style="list-style-type: none"> 1. Apologies 2. Declarations 3. Minutes 4. Actions 5. Joint Risk Management Update 6. Joint Strategic Risk Register 7. Risk Management Strategy Progress Report 8. Chief Financial Officer's Report 9. Counter-Fraud Update 10. Deputy Chief Constable's Report 11. Internal Audit Progress Report 12. External Audit Progress Report 	<ol style="list-style-type: none"> 16. Cash Reserves Management Update 2025/26 17. Going Concern Assessment 2024-25 18. Risk Deep Dive Schedule 2025-26 19. Management Assurance Return 2024-25 20. Functional Standards Review 21. Internal Audit Report – Data: Electronic, Retention, Review and Deletion 22. <i>Internal Audit Report – Payroll</i> 23. <i>Internal Audit Report – Business Continuity</i>

¹ Action 26/2023

² Suggested during discussion of Payroll issues as part of Counter-Fraud Update Q3 at March 2024 meeting

³ Suggested during discussion of fraudulent sale of ~£2,500 IT equipment as part of Counter-Fraud Update Q3 at March 2024 meeting

⁴ Action 1/2024

⁵ Added at June 2024 meeting

⁶ Added at June 2024 meeting

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<ul style="list-style-type: none"> 13. Committee Effectiveness Action Plan 14. Workplan 2025/26 15. Any Other Business 	<ul style="list-style-type: none"> 24. Internal Audit Report – Cyber Security 25. Internal Audit Report – Portfolio Controls: Investment and Prioritisation Appraisal 26. Internal Audit Plan 2025-26 27. External Audit Interim Work 28. [Verbal] HMICFRS Inspection Plan 2025-28 29. Committee Training Plan 2025-26
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June 2025	
Standing / Administrative Items	Suggested Items
<ul style="list-style-type: none"> 1. Apologies 2. Declarations 3. Minutes 4. Actions 5. Joint Risk Management Update 6. Joint Strategic Risk Register 7. Risk Management Strategy Progress Report 8. Chief Financial Officer’s Report 9. Counter-Fraud Update 10. Deputy Chief Constable’s Report 11. Internal Audit Progress Report 12. External Audit Progress Report 13. Committee Effectiveness Action Plan 14. Workplan 15. Any Other Business 	<ul style="list-style-type: none"> 16. Draft Annual Report and Accounts 2024-25 (including Governance Statement) 17. Annual Code of Governance Refresh & Board Effectiveness Evaluation 18. Annual Committee Effectiveness Review (including terms of reference) 19. Internal Audit Annual Report and Opinion 20. Internal Audit Report – Business Continuity 21. Draft External Audit Completion Report 2024-25

July 2025	
Standing / Administrative Items	Suggested Items
<ul style="list-style-type: none"> 1. Apologies 2. Declarations 3. Any Other Business 	<ul style="list-style-type: none"> 4. Final Annual Report and Accounts 2024-25 5. Final External Audit Completion Report 2024-25

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September 2025	
Standing / Administrative Items	Suggested Items
<ol style="list-style-type: none"> 1. Apologies 2. Declarations 3. Minutes 4. Actions 5. Joint Risk Management Update 6. Joint Strategic Risk Register 7. Risk Management Strategy Progress Report 8. Chief Financial Officer's Report 9. Counter-Fraud Update 10. Deputy Chief Constable's Report 11. Internal Audit Progress Report 12. External Audit Progress Report 13. Committee Effectiveness Action Plan 14. Workplan 15. Any Other Business 	<ol style="list-style-type: none"> 16. Assurance Framework 17. Information and Data Assurance Update (to satisfy Governance Statement) 18. Internal Audit / Half-Year Review

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