



BRITISH TRANSPORT POLICE FUND

Annual Report and Accounts
for the year ending 31 March 2024



British Transport Police Fund

STATEMENT OF ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2024

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

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OGL

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PERFORMANCE REPORT





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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).

Reflecting on the last 12 months, a number of major events took place that translated into challenges for railway policing. The Israel-Gaza conflict inspired a sudden and unprecedented level of protest activity at major train stations, as well as an increase in reports of hate crime on the network. I was incredibly proud of BTP's policing response to these challenges. The Force demonstrated tremendous agility, resilience and adaptability to this unforeseen activity, pulling together to enhance the safety and security of passengers and rail staff during a very sensitive time.

May 2023 saw the Coronation of King Charles III, another unique event that required a superior policing response as thousands of people used the network to travel to and from the Coronation and the Concert. In preparation, BTP officers and staff put huge efforts into ensuring all plans were in place, including many of our people working over the weekend itself and into the Bank Holiday. Again, I was incredibly proud of the part BTP played in making this once-in-a-lifetime event a success.

Our Force's ability to step up during these major events would not be possible without the work that takes place internally to support our people, ensuring they are well-equipped, well-led and well-cared for. I was pleased the Home Office recognised the work of officers and staff and the Policing Remuneration Review Body proposed a 7% pay increase this year. We followed suit, seeing this as a well-deserved uplift. BTP has continued to enable agile working by transforming its digital and technological capabilities this year, with a huge roll-out of technology. This means not only more devices for officers and staff but more functionality on those devices. This is just one of the successes achieved through the ambitious

Force on the Move transformation programme and I look forward to more improvements that make BTP a 21st century police force.

We remain committed to the professionalism of our officers and staff, maintaining incredibly high standards to ensure we are a trusted and legitimate police force. We learn from history, taking a no-tolerance approach to unprofessional behaviour and will continue to do so.

BTP continues to prioritise tackling Violence against Women and Girls. It is easier than ever to report any incident through our discreet 61016 text reporting service and BTP's first-of-its-kind rail safety app, Railway Guardian. The app - which provides useful guides for staying safe on the railway, allowing you to report crime anonymously and send your location to friends and family - now has over 146,000 downloads with this number increasing rapidly every month. You'll see in our performance summary that reports of sexual offences have increased, and while this may seem alarming, we believe this does not necessarily show an increase in these sorts of crimes but instead an increase in victims willing to come forward and report.

So much of what BTP achieved this year would not have been possible without the valuable support of our industry stakeholders. Our efforts to tackle and prevent crime are enhanced by partnership working with rail staff and local authorities, and I have seen many impressive examples this year of different organisations working together to solve problems and protect the public on the rail network.

As a police force funded by the rail industry, we are committed to providing value for money in all that we do. As the industry faces unprecedented change over the next financial year, BTP will continue to act as Guardians of the Railway in the face of this change, prioritising the security of the railway's infrastructure and those who use it to work and travel every day.



Ron Barclay-Smith
Chair

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 dedicated police force for the railways covering England, Scotland and Wales. The number of Members of BTPA ranged between 10 and 15 throughout 2023/24, and they provided knowledge and experience of issues that concern passengers, the railway industry and railway employees. The Members currently meet four times a year to set BTP 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 2024) includes:

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



Our vision

A world-class police force trusted to provide a safe and reliable railway.

Our mission

Working together to protect the rail community, creating a hostile environment for crime

Our ambition and objectives

Our 2022–27 Strategy sets out our strategic objectives:

- Crime prevention and safeguarding to reduce the likelihood of people coming to harm on the railways
- Target our specialist policing efforts to ensure fewer victims of the most harmful crime
- Innovate and collaborate with our partners to reduce disruption
- Earn the trust and confidence of passengers and rail staff to defeat criminality together
- Generate value through technology and sustainable investments, adapting to meet the future

- **Build a modern and inclusive Force where our people are well-equipped, well-led, well-cared for and reflect the best of our communities**

Our principal risks and uncertainties are described in the Corporate Governance Report.

Our values

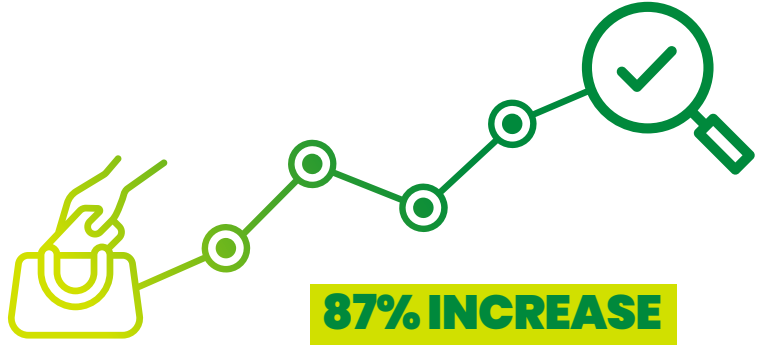
Values are essential to how we work together, serve the public and engage with partners. They are the foundations of a police force that is trusted, respected and whose policing actions are felt as legitimate. Our people have carefully considered our values through engagement across BTP. Our values will enable us to evidence each day that we are US AT OUR BEST.

Our values are:

- **We are proud to protect**
- **We care**
- **We are one BTP**
- **We do the right thing**
- **We strive to be better every day**



PERFORMANCE HEADLINES



**87% INCREASE
IN ROBBERIES
SOLVED**

compared to 2022/23



**CORONATION
OF KING CHARLES III**



We welcomed

**PART TIME
OFFICER ROLES**



**BEST TALENT
PROGRAMME**

in the **Excellence in People
Management Awards 2024**
from the Public Service
People Managers Association



**84,000
EMERGENCY
CALLS** handled



**OVER 146K
DOWNLOADS**

of Railway Guardian app



55% FEWER COMPLAINTS

per 1,000 officers **than the national average**



PERFORMANCE REPORT

PERFORMANCE SUMMARY

2022–27 Strategic Plan

This report covers the second year of the Strategic Plan which aims to deliver a secure place for passengers, a hostile place for those who would do harm and a safe place for vulnerable people encountered on the network. We are doing this in partnership with the rail industry, wider law enforcement, safeguarding agencies and passenger groups.

An assessment of our performance against each of the Strategic Objectives follows.



1. Crime prevention and safeguarding to reduce the likelihood of people coming to harm on the railways

BTP recorded 19% more crime in 2023/24 than 2022/23. The risk of being a victim of crime increased compared to last year, but remained low, with 26.7 crimes recorded per million passenger journeys (2022/23 24.6).

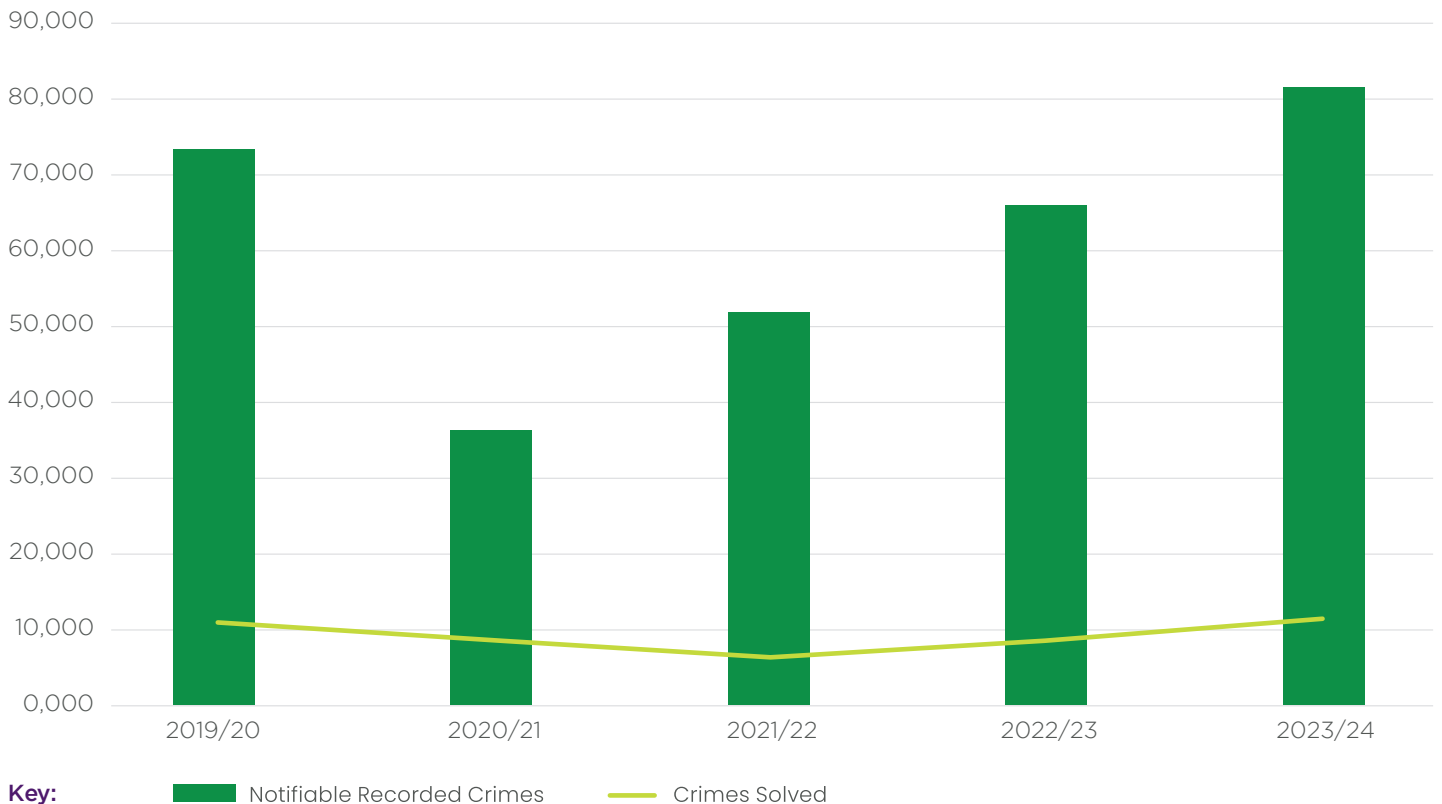
26.7

CRIMES PER MILLION PASSENGER JOURNEYS 2023/24

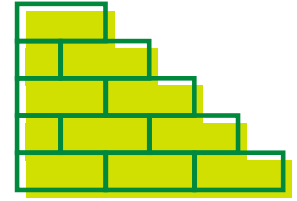
(2022/23: 24.6)



Notifiable Recorded Crimes and Crimes Solved



The Force's Designing Out Crime Unit (DOCU) completed **2,024 CRIME PREVENTION PIECES**, including **149 architectural projects, 393 post incident site visits** following a suicide or other death, **200 secure stations accreditations** and **931 safer car park accreditations this year.**

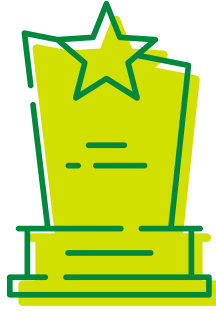


| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|---|---|---|
| <p>Crime prevention by design, target hardening the railway environment to deter volume crime and anti-social behaviour</p> <p>An evidence-based approach to tackle each priority crime type, taking learning about what works into how we police the railway</p> <p>Developing effective control strategies to tackle threat and harm</p> <p>Partnership with wellbeing agencies to protect those most vulnerable to harm or exploitation</p> <p>Maximise opportunities throughout the criminal justice system to increase positive judicial outcomes and deter offenders from using the rail network</p> <p>Visible policing targeting crime hotspots to provide reassurance to the public and rail staff</p> | <p>Fewer victims of crime and anti-social behaviour, per million passenger journeys</p> <p>Fewer suspected suicides on the rail network</p> <p>An improved positive outcome rate for victims of crime</p> | <p>BTP continues to work with the rail industry, security and wellbeing agencies to ensure that everyone who works on or uses the railways to travel, for leisure or work feels safe and is confident to do so.</p> <p>BTP recorded 19% more crime in 2023/24 than 2022/23 (increase from 67,391 to 80,532)¹.</p> <p>Following the publication of BTP's Crime Prevention Strategy in 2022/23, the Force's Designing Out Crime Unit (DOCU) completed 2,024 crime prevention pieces, including 149 architectural projects, 393 post incident site visits following a suicide or other death, 200 secure stations accreditations and 931 safer car park accreditations this year. Crime prevention efforts have also included rail announcements in January on the TfL network, customer information boards and other visual displays gave 'Gadget Grabbers' advice.</p> <p>Preventing harm on the railways remains a priority, with work continuing with a range of partners, including the NHS and Integrated Care Partnerships (ICPs), third sector organisations, Government, Local Authorities, the rail industry and other police forces. In 2023/24 there were 2,242 life-saving interventions made by BTP and others on the rail network and 5,438 suicide prevention and mental health intervention reports submitted by BTP officers (2022/23: 2,260 and 5,880 respectively).</p> <p>BTP continually seek to improve judicial outcomes to both deter and bring offenders to justice. BTP solved 10,113 crimes in 2023/24, which was 9% more than in 2022/23 (9,239). However, the 19% increase in recorded crimes meant that the percentage solved rate reduced slightly from 14% to 13%.</p> |

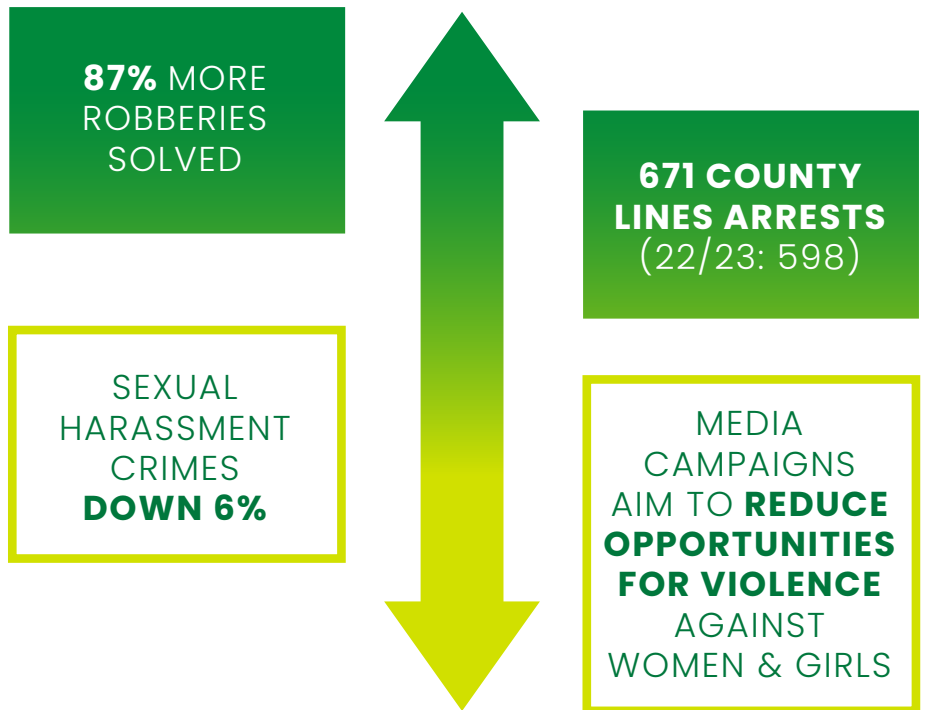
¹ Note that throughout the Performance Report, 2022/23 comparative crime numbers vary from the 2022/23 Annual Report and Accounts due to crime recording rules. The variation is less than 1% for total recorded crime.

2. Target our efforts to ensure fewer victims of the most serious crime

Despite increases in offences recorded, the risk of becoming a victim of the most serious crimes remained low, with 1.2 serious violence offences and 0.7 robbery offences per million passenger journeys (2022/23: 1.2 and 0.5 respectively).



IN SEPTEMBER 2023, WE WON THE NPCC 'MAKING SPACES SAFER' AWARD FOR OUR 'SPEAK UP, INTERRUPT' CAMPAIGN TO LAUNCH THE RAILWAY GUARDIAN APP.



| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|---|--|--|
| <p>Target crime that is most harmful to the public, rail staff and our communities, including serious and organised crime and exploitation</p> <p>Address the under reporting of sexual offending by making it easier for people to make reports and giving them confidence that we'll take those reports seriously</p> <p>Deliver a Counter Terrorism capability to play our part in keeping the underground and rail network safe</p> | <p>Fewer victims of major, serious and organised crime and exploitation</p> <p>A true baseline of unwanted sexual behaviour through improved victim confidence to report crime and satisfaction in victim care</p> <p>From the true baseline, fewer victims of unwanted sexual behaviour</p> <p>A proportionate counter terrorism capability, integrated with partner resources, and equipped, trained and tested to protect and prepare</p> | <p>BTP recorded 40% more robbery offences in 2023/24 than 2022/23 (increase from 1,460 to 2,051). BTP's Operation Invert was set up in 2023/24 to prevent, reduce and detect these offences. BTP solved 87% more robberies than in 2022/23 (increase from 126 to 235), with the percentage solved rate increasing from 9% to 12%.</p> <p>There were 16% more serious violence (violence with injury) offences recorded in 2023/24 than the previous year (increase from 3,336 to 3,883). BTP solved 4% more serious violence offences in 2023/24 compared to 2022/23 (increase from 804 to 838), however the solved rate fell from 24% to 22%.</p> <p>Tackling violence against women and girls continues to be a priority. As of the end of March 2024, there had been 146,715 downloads of the Railway Guarding app, which continues to encourage and enable reporting. There have been 1,761 Railway Guardian 61016 texts received by BTP between the app's launch in July 2022 and the end of March 2024. BTP have developed a new out of court pathway for low level offences with a sexual harassment element. The 'Consider' course will deliver educational inputs to offenders to address first time inappropriate behaviours which are not considered a sexual offence (such as sexualised 'banter' or unwanted flirting).</p> <p>There was a 20% increase in violent crimes against women and girls (from 9,464 to 11,357), and 10% more sexual offences recorded (from 2,246 to 2,475) in 2023/24 compared to 2022/23. This does not necessarily mean an increase in occurrence of these crimes but that victims are more willing to report it because of the messaging and efforts across the network. There were 6% fewer crimes involving sexual harassment recorded (from 2,040 to 1,908).</p> <p>The County Lines Taskforce made 671 arrests in 2023/24 (2022/23: 598), seized 250 weapons, made 540 drugs seizures and secured 22 Modern Slavery charges.</p> <p>BTP's Counter Terrorism capability continues to keep the underground and rail network safe. Exercises and testing, including joint with other bodies, and continual professional development ensures BTP has the capability to prevent and respond to any type of major incident.</p> |

3. Innovate and collaborate with our stakeholders to reduce disruption

There has been a 12% increase in the number of police related disruption incidents, however the amount of primary delay minutes per incident has remained stable at an average of 25.7 primary delay minutes per disruption incident.

20,919

JOINT PATROLS TO DISRUPTION HOTSPOTS

A high level value for money assessment in 2023/24 found that **for every £1 spent by**

BTP on HaRT¹,

THE RAIL INDUSTRY RECEIVED £2.08 IN BENEFIT AND THE UK £5.61 IN BENEFIT.

¹ Harm Reduction Team



| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|--|---|---|
| <p>Identifying and tackling together, the causes of police related disruption</p> <p>Return the railways to operators as soon as we can, balancing the impact of disruption, public safety and legal responsibilities</p> <p>Work with statutory agencies and the voluntary sector to reduce disruptive incidents</p> <p>Collaborate by exploiting new technology, proactively sharing data to ensure our collective approach is targeted, effective and efficient</p> | <p>Improved engagement and joint planning with the rail industry</p> <p>Reduced police related primary delay minutes per incident</p> <p>Reduced societal and economic impact from police related disruption on the rail network per incident</p> | <p>BTP continues to work with the rail industry and other organisations, including Samaritans and Railway Children, to safeguard people and reduce delay. This includes, through the use of problem solving plans, various partnership groups including the Disruption Working Group which is chaired by BTP, and through joint Network Rail funded disruption tasking teams in England and Wales. These teams work very closely with Network Rail to identify rail disruption threats (whether events-based, high frequency of vulnerable people, trespass, cable theft, vandalism or level crossing misuse) and mitigate through bespoke event plans, problem solving plans, reactive and proactive patrols.</p> <p>In 2023/24 these joint funded teams conducted 20,919 dedicated patrols to disruption hotspots, 171 community & school engagements, 121 arrests, 70 vulnerable person engagements and 152 lifesaving interventions.</p> <p>There was a 12% increase in the number of police-related disruption incidents from 2022/23 to 2023/24, from 27,291 to 30,464. Despite this, the average amount of primary delay minutes per incident remained stable compared to last year, at 25.7 (2022/23: 25.7)². The average time taken to manage non-suspicious fatalities on the railway and hand back to the industry in 2023/24 was 103 minutes (2022/23: 95 minutes). Significant disruption incidents are often the subject of debrief work between BTP and the rail industry, with much of the deliberation focused on network restoration and obstacles to that.</p> <p>BTP's specialist Harm Reduction Team (HaRT) works with the NHS and other support services to reduce repeat presentations on the rail network by those in crisis and prevent rail disruption and harm. A high-level value for money assessment in 2023/24 found that for every £1 spent by BTP on HaRT, the rail industry received £2.08 in benefit and Britain £5.61 in benefit.</p> <p>BTP continue to invest in drones with 70 pilots now nationwide and 25 drones.</p> |

² Total Primary delay minutes to the railway from these incidents increased by 11%, from 702,186 to 781,996

4. Build the trust and confidence of passengers and rail staff to defeat criminality together

Policing has seen intense scrutiny in the media, but BTP and the Police Authority have prioritised professionalism and conduct, resulting in fewer complaints.

76%

AGREED THAT BTP KEEP PEOPLE LIKE THEM SAFE WHEN TRAVELLING ON THE NETWORK

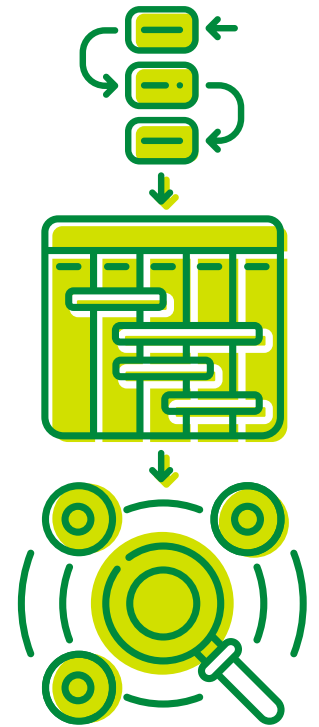


| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|---|---|--|
| <p>Improve our standards of professional behaviour</p> <p>Continue to build public trust through a better understanding of public sentiment</p> <p>Listening and adapting to passenger and rail staff voices to shape the services we provide</p> <p>Encourage our communities to share perspectives, ideas, information and report crime and incidents to us at the earliest opportunity</p> <p>Enhance external scrutiny of our operational activities, including our use of policing powers</p> <p>Understanding how we use our powers across all of our communities and tackling disproportionality</p> | <p>Improved public accountability of our policing services</p> <p>Increased satisfaction with an empathetic and proactive complaints handling process</p> <p>Strengthened internal assurance of our professionalism standards supported by a culture that calls out wrongdoing</p> <p>Improved external advice, oversight and scrutiny of our policing standards</p> <p>Improved public attitude survey results for confidence in policing and sense of public safety</p> | <p>There has been a continued focus on improving standards of professional behaviour across the force through sustained investment in the Professional Standards Department (PSD). BTP continues to develop its culture of calling out bad behaviour through its confidential and anonymous 'Speak Up' service. In 2023/24 there were 218 'Speak Up' reports (2022/23: 237). Cases of gross misconduct resulted in a dismissal rate consistently of 95% at hearings in 2023/24.</p> <p>In 2023/24, there were 736 complaints, (2022/23: 788), with 148 complaints per 1,000 officers (2022/23: 162; national average 23/24: 332).</p> <p>BTP continues to track public sentiment and monitor trends. The most recent highlights, from the Public Perception Tracker for December to February 2024, highlights that 90% of respondents have heard of the BTP. Of those who had heard of BTP, 76% agreed that BTP keep people like them safe when travelling on the network. Overall, 74% agreed that they trust BTP is working hard to prevent crime, 74% agreed that they feel if they were to report a crime to BTP it will be taken seriously and 71% agreed that BTP is fair when using their powers.</p> <p>This year saw the launch of a new passenger survey platform, which has been live since October 2023 and early signs are positive. Each survey cycle generates circa 3,000 responses, providing a wealth of data on passenger attitudes. A new Victim of Crime Survey was also launched this year. Initial work to review the feedback to determine if any changes in process are required to improve the service to victims has begun. In addition, a refreshed rail staff survey was launched in March with new questions focusing on what the railway staff community want from BTP and how we can best support them.</p> <p>BTPA is enhancing its scrutiny of BTP's operational activity by stepping up its focus on legitimacy through closer examination of BTP's use of powers. Ownership of the Strategic Independent Advisory Group has now transferred to BTPA to coordinate centrally, improve organisational learning and assist the Authority in holding BTP to account.</p> <p>BTP continues to focus on understanding how it uses its operational powers. In addition to scrutiny by BTPA and externally, the Force has a number of internal scrutiny boards, including for custody, stop and search and the use of force. Data on the use of policing powers is scrutinised at key legitimacy boards, with disproportionality a key feature of the discussion as the Force strives to either explain, or reform, through the Police Race Action Plan.</p> |

5. Generate value for money through the exploitation of technology, adapting to meet the future

As demand has increased in-year and we have invested in projects that improve efficiency, we continue to seek value-for-money.

We have created a Capacity Planning Tool which has been recognised in policing as allowing for **MORE STREAMLINED OPERATIONAL DEMAND.**



£3.1M

CASHABLE SAVINGS REALISED IN 2023/24

| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|--|---|---|
| <p>Targeting our people, assets and activities towards the things that generate the most value for the rail community</p> <p>Challenging inefficiency, ensuring 'every penny counts' towards our strategic goals</p> <p>Transforming our operating model in a sustainable way, to reset where our core capabilities will be most effective</p> <p>Meet the key milestones in our plan to become a net-zero carbon police force by 2035</p> <p>Designing and delivering a digital, data and technology strategy to enable value- driven policing outcomes</p> <p>Working closely with our partners to drive better value throughout the rail industry</p> | <p>Strong performance amongst policing in delivering services efficiently against independent audit reports</p> <p>The production of evidenced and quantifiable efficiency savings to reinvest where they will have the most impact on our strategy</p> <p>A firm belief from our partners that BTP represents good value for money and helps them drive improved value in their own businesses</p> <p>Evidenced steps over the life of the strategy to achieve our sustainability plan</p> <p>Progress against major transformation milestones, evidencing the benefits we deliver</p> | <p>This is the second year of our 'Force on the Move' transformation programme, seeking to find ways to generate more value through efficiencies. £3.1m annual realisable cash savings were made in 2023/24 (unaudited). This is described in the 'Delivering Benefits and Efficiencies' section of the Governance Report.</p> <p>Every Penny Counts allows staff to propose ideas that can generate savings. In 2023/24, this has resulted in £102k of cost avoidance identified this year.</p> <p>We have created a Capacity Planning Tool which has been recognised in policing as allowing for more streamlined operational demand. We commenced work on our Optimised Policing Model which is expected to deliver benefits in 2024/25. See 'Delivering Benefits and Efficiencies' for more detail.</p> <p>Through investment in the team and systems, we have improved our sustainability monitoring. This is described in further detail in the Sustainability section of the Governance Report.</p> <p>Investment in technology is providing efficiencies in policing outcomes, such as through our roll-out of handheld devices and systems like Geospatial which support officers to do more while on the move.</p> <p>Initiatives like the Emergency Intervention Unit with Network Rail have trialled drone technology; we also link in with other police forces to share learnings.</p> |

6. Build a modern and inclusive Force where our people are well-equipped, well-trained, well-led, well-cared for and reflect the best of our communities

People are at the heart of what we do, with over 80% of our costs being pay-related. New initiatives have sought to improve the diversity of our workforce, including being the first police force in the UK offering part-time officer roles.

1ST POLICE FORCE TO ADVERTISE PART-TIME OFFICER ROLES

The ethnicity representation rates for all employees were:

| All Employees | | |
|---------------|----------------------|----------------------|
| Ethnic Group | 2023/24 Percentage % | 2022/23 Percentage % |
| White | 82.2 | 82.2 |
| Asian | 7.9 | 7.9 |
| Black | 3.9 | 3.9 |
| Mixed | 3.3 | 3.3 |
| Not stated | 2.7 | 2.7 |

For police officers the Ethnicity Representation rates were:

| Police Officers | | |
|-----------------|----------------------|----------------------|
| Ethnic Group | 2023/24 Percentage % | 2022/23 Percentage % |
| White | 86.7 | 85.9 |
| Asian | 5.3 | 5.6 |
| Black | 2.4 | 2.7 |
| Mixed | 2.8 | 3.0 |
| Not stated | 2.8 | 2.8 |

| Priorities (or aims) | We will deliver | Progress in 2023/24 |
|--|---|--|
| <p>Better representing the diverse backgrounds and experiences of the communities we serve</p> <p>Developing leadership capabilities and ratios to ensure empowerment, empathy and effective support</p> <p>Strengthening how we care for our people through a new wellbeing programme</p> <p>Modernising our technology, equipment, learning and estates services</p> <p>Understand and learn from history, opportunity for reflection and learning and evolution</p> | <p>Improved people engagement (survey benchmark increase)</p> <p>Improved representation, particularly of gender and ethnicity</p> <p>An inclusive workplace where everyone can bring their whole selves to work, evidenced through sentiment analysis</p> <p>A more efficient and effective leadership model and upskilling of our leaders to lead</p> <p>A workforce with the capabilities and experiences necessary to deliver our strategic plan</p> <p>The most comprehensive wellbeing package in UK policing, reflective of our unique demands; including a peer support network, role specific support, an enhanced psychological support offer and a hub to provide advice and guidance</p> <p>Stable, secure and available technology that supports our digital and data ambitions</p> <p>An estate that meets our operational, sustainability and business needs</p> | <p>BTP's Inclusion and Diversity strategy is being refreshed to ensure BTP is becoming as inclusive as possible. A part of this work is to ensure the Force is reaching our external diverse communities. Work is underway to reach young people and through our Police Race Action Plan, people from ethnic minority communities.</p> <p>The Force is also seeking to build a formalised process for underrepresented communities to experience working in BTP. Additionally, through its diverse employee support associations, BTP is working to extend our reach outside of the organisation to encourage people to report crime and incidents and build better working relationships with the community.</p> <p>Our gender and ethnicity pay gap reporting both show a reduction in the mean pay gap for female and Black, Asian and Mixed staff. See the Remuneration Report for a breakdown of these pay gap reports.</p> <p>To ensure a more diverse and inclusive workplace, a dedicated recruitment team has been formed to seek applicants from under-represented backgrounds. Part-time police officer roles have been created, a first in UK policing.</p> <p>Talent Pools have been developed and 99.8% of employees completed Personal Development Reviews (PDRs) enabling individuals to develop and step outside of their usual roles. The Talent team have won the 'Best Talent Programme' award from the Excellence in People Management Awards, recognising how much improvement has been made in this area.</p> <p>We redesigned our leadership development, including promotions, following the recommendations in the Casey review about inclusive leadership.</p> <p>A new 'wellbeing hub' was launched in 2023/24 offering more resources, tools and events to support wellbeing. Our proactive response to health, safety and wellbeing ensures employees are offered support as soon as possible once a need has been identified. Given the nature of police work, we proactively ensure those who attend difficult incidents are invited to access support.</p> <p>Investment in technology supports more agile and efficient working, as well as investment in modern and sustainable estates. This follows feedback from our 2023 people engagement survey. See the 'Technology' and 'Sustainability Report' sections of the Governance Statement.</p> |

PERFORMANCE ANALYSIS

FINANCIAL ANALYSIS

The net deficit for the financial year was £33.4 million (2022/23: £107.2 million), £17.6 million (2022/23: £105.4 million) of which relates to IAS19: Employment Benefits pensions accounting adjustment (see statement of cash flows). The adjusted net deficit after removing the IAS19 adjustment is a £15.8 million deficit (2022/23: £1.8 million deficit).

A deficit remains after this adjustment largely as a result of three matters. BTPA received approval to use an element of cash reserves to fund some of the pay award in 2023/24. Any depreciation charged on assets funded outside of the Police Service Agreement (PSA) charging mechanism does not align exactly with when funding is received, and often the funding flows through the statement of changes in equity rather than as income. In addition, leasing costs are charged to PSA holders on a cash basis rather than on the IFRS16 cost basis which creates a difference in income and expenditure timing. Full recovery of these final elements of expenditure is still ensured over time.

| | Year ending 31 March 2021 £'000 | Year ending 31 March 2022 £'000 | Year ending 31 March 2023 £'000 | Year ending 31 March 2024 £'000 | Budget 2024/25 £'000 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|----------------------------|
| Income | 319,838 | 331,123 | 350,662 | 368,251 | 394,539 |
| Expenditure | (386,460) | (441,006) | (457,861) | (401,600) | (416,241) |
| Net Deficit Including IAS19 pension costs | (66,622) | (109,883) | (107,199) | (33,349) | (21,702) |
| Adjusted net surplus/ (deficit) Removing IAS19 pension costs | (10,132) | (3,313) | (1,809) | (15,749) | (6,932) |
| Non-Current Assets | 67,690 | 89,826 | 98,310 | 91,245 | N/A |
| Total Assets | 125,612 | 154,049 | 164,740 | 161,306 | N/A |
| Current Liabilities | (58,194) | (62,546) | (65,376) | (76,289) | N/A |
| Non-Current Liabilities | (1,054,862) | (938,016) | (75,128) | (38,217) | N/A |
| Taxpayers Equity | (987,444) | (846,513) | 24,236 | (46,800) | N/A |

Five-year Financial Performance

The table shows financial outturn figures for the year ending 31 March 2021 to the year ending 31 March 2024 and the budget for 2024/25.

A new Medium-Term Financial Plan covering 2024/25 through to 2028/29 was reviewed by the Authority during 2023/24. The total expenditure control budget was approved for 2024/25 including an 8.9% increase in PSA funding.

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, administration 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 2023 shows net pension liabilities of £49.4 million. The net liability of the scheme on 31 March 2024 was £16.1 million: a decrease of £33.3 million in the year. A higher discount rate has decreased the benefit obligation in the current financial year. The Department for Transport (DfT), as the Authority's sponsoring department, underwrites any pension shortfalls. For further detail please refer to Note 23 in the Financial Statements.



Current Year Performance

Income recognised in the year increased by £17.6 million, from £350.7 million in 2022/23 to £368.3 million in 2023/24. This increase was largely due to an increase of 4.5% in BTPA charges approved by the Authority to recover costs.

There was a decrease of £44.0 million in staff costs, from £350.4 million in 2022/23 to £306.3 million in 2023/24. Standard payroll costs increased due to the 2023/24 pay award uplift of 7% and spine point progression but were offset by a decrease in the IAS19 contributions adjustment by £66.1 million.

Other expenditure increased by £14.5 million, from £54.1 million in 2022/23 to £68.6 million in 2023/24. There was an increase in rentals under operating leases of £7.6 million following an adjustment in

the 2022-23 financial statements as a result of a reassessment of all leases against IFRS16 criteria. Premises costs have increased by £3.0 million due to increased utility charges. BTPA have also experienced inflationary increases in other costs including communications and computers.

The impact on the statement of comprehensive income of the IAS19 pension adjustments of £44.8 million is lower than the previous year (2022/23: £109.3 million) as a result of the decrease in the prior year pensions liability. For further detail on the breakdown of costs please refer to Note 23 in the Financial Statements.

In the statement of financial position, the carrying value of non-current assets decreased by £7.1 million, from £98.3 million in 2022/23 to £91.2 million in 2023/24. Additions and adjustments of £15.5 million were made in the current year covering fleet cyclical spend, the end user compute project, leasehold improvements as well as the revaluation of assets. This was offset by depreciation and amortisation charged of £22.5 million.

Total current assets increased by £3.6 million, from £66.4 million in 2022/23 to £70.1 million in 2023/24.

An increase in trade and other receivables of £3.1 million was as a result of income accruals raised for additional 2023/24 PSA charges due to be collected in 2024/25.

Total current liabilities increased by £10.9 million, from £65.4 million in 2022/23 to £76.3 million in 2023/24. A deferred income balance at a value of £6.2 million accounting for the 2024/25 PSA charge cash receipts collected early contributed to this increase. In addition, there were two periods' worth of other tax and social security payments due to HMRC held as a liability in 2023/24 as payment was not yet due. This compares to only one period's worth of payments in 2022/23 liabilities.

The value of non-current liabilities decreased by £36.9 million, from £75.1 million in 2022/23 to £38.2 million in 2023/24. This was driven by a decrease of £33.3 million in the net pension liability following a higher discount rate applied in the IAS19 valuations.

While the European Union Exit has had a material impact on many public sector organisations during 2022/23 and 2023/24, it has not had the same impact on this organisation. No material additional expenditure has been incurred as a result of this event.

Delivering Efficiency and Benefits

In line with the 2022–2027 Strategic Plan, we have continued to focus on using our budget efficiently and effectively in delivering our services. BTP has a strong track record of releasing savings and efficiencies through transformation. In the second year of our expansive 'A Force on the Move' change programme, we have delivered on promised cash-releasing efficiencies for reinvestment to enable further productivity, performance and wellbeing improvements.

Cash releasing savings to a value of £14.7m over the life of the strategy (until 2027) have been presented, with realised cashable savings of £3.1m this year¹. We undertook structural reviews of Superintendent to Inspector supervisory ranks and their support functions. We reviewed our Counter Terrorism capability which has also incorporated enhancements to our Exercise and Testing capabilities. In addition, the Force has identified cost avoidance savings of £0.45m per annum through the streamlining of uniform services and our real estate footprint in Manchester. Our 'Every Penny Counts' campaign asks staff to propose ideas that can generate savings. One such opportunity was to make some probationer training delivery remote. In 2023/24, these ideas

¹ unaudited

have resulted in £102k of cost avoidance.

In line with the Government Efficiency Framework, we have established a range of monetisable productivity savings through the delivery of technology solutions and service redesigns that have reduced the time spent by officers and staff on bureaucratic, manual tasks.

The Transformation portfolio has focused on delivering our ambitious programme of change within its envelope of investment. It has sought to reinvest the cash releasing savings in underpinning the maintenance of a centralised change capability to ensure that transformation is embedded across the organisation. The portfolio has supported a range of cyclical capability improvements including Body Worn Video, enhanced Computing, fleet replacement, specialist policing equipment and learning and development assets. These sit alongside change initiatives that will optimise the delivery of our objectives (Integrated and Security Policing, estates improvements and relocations, Niche Intelligence Portal, new digitised warrant cards, intranet Replacement and Data Centre relocation).

Key areas of progress this year include:

Technology Improvements

The Force has continued to drive innovation through a suite of technology capability developments to support the delivery of our strategy and policing plans. We have launched our new intelligence and briefing application, Geospatial, which was piloted as part of the policing operation for the Coronation of King Charles III on 6 May 2023. Geospatial is leading the way to make deployment of officers to incidents within their area more efficient and increase the effectiveness of crime and safeguarding activity. Benefits of the application include all intelligence briefings in one place, location specific briefings pushed straight to officers' mobile devices whilst deployed on patrol and a map function to enhance officer shared situational awareness. It is already delivering positive results on the ground. An example of this was from February 2024, when an officer in Northampton, after seeing the Geospatial briefing, recognised a known individual. Following a search, the officer was able to execute an arrest, return stolen goods to a victim and initiate safeguarding support for the offender.

We have started the implementation of the National Enabling Programme (NEP) established to provide a set of standards across all IT applications used in policing. NEP will make it easier to communicate and collaborate with colleagues and other forces we work with and provide better access to information through improved applications. It is also a key mitigation for our Cyber & Data Security strategic risk.

Strategic Planning

As a value-driven organisation, we have progressed a new Strategic Planning Cycle that connects and aligns our strategy, intelligence and threat assessments, Force Management Statement (changes in demand), finance and workforce planning into one process. This presents an opportunity to support BTPA and BTP jointly ('BTP/A') in progressing expanded evidence-based decisions, and recommendations for every annual financial planning cycle. This has for the first time included a Capability Review where all information, data and inputs are collated, comparing the capacity and capability of each corporate function against current and projected demand and emerging threat.

An innovative element of this new cycle has been the introduction of an internally developed Capacity Planning software tool, which has featured in the NPCC Police Productivity Review², that indicates how operational demand is managed and what residual capacity we allow for proactive policing. Proactive policing covers a range of activities, such as highly visible patrols of crime and disruption hotspots led by data driven analysis, working with partners to prevent crime through a collaborative problem-solving approach, and management of people in crisis away from the railway to prevent disruption. We provide visibility and reassurance patrols where the fear of crime is high. A Strategic Hub is also under development to sustain our new Force wide integrated business planning cycle.

Transforming our operating model in a sustainable way

Aligned to our strategic planning, work has commenced to develop an Optimised Policing Model (OPM) programme that will balance our proactive policing hours across divisions so we can better tackle crime hotspots, increase public trust and confidence, and introduce

² <https://www.gov.uk/government/publications/policing-productivity-review>

opportunities for more of our people. OPM will look at Constables, Sergeants, and Police Community Support Officers across our frontline Divisions to see how we can optimally deploy the resources we have, taking into account the unique aspects of each division. Our operating model must deliver what the public and our stakeholders require, whilst making sure we do the right thing by our people and reflecting our value of being one BTP. It is estimated this work will support the quantification of a monetisable savings opportunity to the value of £9.3m per annum. Data has been collected over the last year to input into the OPM. Activity is being finalised to develop the capacity planning tool for our frontline PCSOs and Crime Command, to inform future business planning and OPM work.

PERFORMANCE ANALYSIS

SUSTAINABILITY REPORT

BTP has reported on climate-related financial disclosures consistent with HM Treasury's Task Force on Climate-related Financial Disclosure (TCFD)-aligned disclosure application guidance which interprets and adapts the framework for the UK public sector.

BTP has complied with the TCFD recommendations and recommendations disclosures around:

- governance – all recommended disclosures under (a) Board oversight and (b) Management's role
- metrics and targets – disclosures under (b) Emissions

This is in line with the central government's TCFD-aligned disclosure implementation timetable. BTP plans to make disclosures for Strategy, Risk Management and Metrics and Targets disclosures (a) and (c) in future reporting periods in line with the central government implementation timetable.

The BTP Net Zero Carbon ('NZC') strategy is jointly owned by the Director of Corporate Services, and the Deputy Director of Commercial. Progress and performance on net zero/sustainability is currently monitored through the 'Force on the Move' governance structure. Senior Responsible Officers are allocated to each programme, while responsibility for delivery rests with the leads of the respective workstreams. Governance oversight is provided through functional boards, and to Force Executive Board covering NZC progress with annual progress and measurement reported to the BTPA.

Strategic and estate climate-related risks and opportunities are managed and reported through the BTP risk process and estate climate-related risks are further reported to DfT via the annual Strategic Asset Management Plan.

BTP and the Authority are committed to achieving NZC by 2035. It is a key component of the 2022-2027 Strategic Plan and is supported by the 2022-2035 NZC strategy which was approved in February 2022. The key elements detailed in our strategy are built on personal empowerment and placing NZC at the heart of what we do.

Delivery Initiatives

During 2023/2024 the continuation of mobilising the strategy has seen the completion of a series of initiatives:

- accurate data collection, analysis and recording via specialist software,
- active engagement with supply chain to tackle complex carbon accounting of Scope 3 emissions,
- embedding Net Zero thinking as business as usual in all areas of the organisation,
- engagement with staff to raise awareness of strategy and empower them to make sustainable changes,
- removal of unnecessary single use plastics from our operations,
- planning estate reductions and upgrades to fabric of buildings through refurbishment projects,
- sourcing uniform and new products from NZC factories, and
- implementing recycle to reuse and zero to landfill schemes.

Data monitoring and reporting

BTP have chosen 2019/20 as the baseline year to report against as this reflects a year with the most robust data pre-pandemic. The first remeasure of data is 2022/23 as the Covid-19 years were not reflective of a typical operating year. Original 2019/20 baseline data has been revised following significant analysis of core data, improved data gathering and provision of new data sets. We implemented new monitoring software in 2023/24 which will enable us to more accurately record our carbon impact. 2023/24 data was not available at the time of publication but will be reported on our website.

The scope of our sustainability reporting includes our operations. We have projections for Scope 1 & 2 emissions where we have buildings provided by Transport for London ('TfL') and all buildings where we pay un-metered charges. Scope 3 activities, whilst voluntary, include business travel, fleet activities, staff commuting and supply chain activities. Until the practicalities of collecting complex supply chain data can be worked through in full, spend data has been used for calculations.

| Emission Scopes | Revised Baseline 2019/20 | Operational Performance 2022/23 | Operational target ¹ 2030 Scope 1&2, 2035 Scope 3 |
|--|--------------------------|---------------------------------|---|
| Total Greenhouse Gas Emissions tCO₂e | 18,873 | 19,686 | 10,149 tCO₂e - 2030 6,187 tCO₂e - 2035 |
| Scope 1 – Direct energy | 3,343 | 3,267 | < 46.2% by 2030 |
| Scope 2 – Indirect energy | 2,619 | 1,796 | < 46.2% by 2030 |
| Scope 3 – Business travel, fleet, core supply chain, staff commute | 12,911 | 14,623 | < 67.2% by 2035 |

Greening Government Commitment 2021-2025 Targets and Progress

BTP report carbon emissions performance to DfT via the ‘Greening Government Commitments’ (GGC) associated targets. In addition, we continually assess the environmental impacts of our operations and set objectives and targets to improve our environmental performance. We will regularly review and report against these targets. Note we are using a revised baseline of 2019/20 though the GGC reductions are based on 2017/18 which have been included for reference (where available).

¹ Interim targets have been set in line with the Green House Gas Protocol, for Scope 1&2 emissions to achieve NZC 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 and to ensure NZC can be maintained long into the future.

| Theme | Measure | Unit | BTP Revised Baseline 2019/20 | Actual 2021/22 | Actual 2022/23 | Actual 2023/24 | GGC Target Reduction from 2017/2018 Baseline |
|---------------------------|---------------------------|---------------------|------------------------------|----------------------------------|----------------------------------|-------------------------------------|--|
| Mitigating Climate Change | ULEV ² cars | % car fleet | 0% | 29% | 29% | 29% | 25% by Dec 2022 |
| | Domestic Business Flights | Flights taken | 228 | 74 | 96 | 166 | <30% (2017/18: 245 flights) |
| Minimising Waste | Total Waste ³ | Tonnes | 173t | 118t, equating to 6% to landfill | 108t, equating to 6% to landfill | 178.65t, equating to 1% to landfill | <15% general waste and <5% to landfill (2017/18: 48% waste to landfill) |
| | Paper use | Reams | 19,778 | 8,241 | 9,453 | 7,550 | <50% (2017/18: 18,786) |
| Reducing Water Usage | Water use ⁴ | M ³ /FTE | 3.24 | 2.07 | 2.03 | 2.88 | <8% (2017/18: 5.55m ²) |

Greenhouse Gas Emissions

Greenhouse Gas emissions continue to reduce for Scopes 1 and 2 in line with glide path. Scope 3 has seen an increase with a higher investment in assets than previous years - IT equipment and electric vehicles which cost nearly twice as much as Internal Combustion Engine vehicles. Having electric vehicles as part of the fleet is already contributing to overall emission reduction.

A major contributor to the reduction of Scope 1 and 2 carbon emissions is from within the Estate, which has a planned programme of relocations to smaller

² Ultra Low Emission Vehicles – Target 25% by December 2022 and 100% by December 2027

³ Waste – The Total Facilities Management (TFM) contract covers collection and disposal of waste at a % of BTP's sites; the remaining sites have waste collection & disposal service provided by the landlord

⁴ Water consumption is metered at a % of BTP locations with remaining sites where we have agreements to pay an unmetered service charge.



premises in line with smarter working policies. Success from the relocation of our Birmingham hub to a more modern and efficient building coupled with a reduction floorplate will be replicated when we relocate our force headquarters later in 2024 to new modern premises which will be c.50% smaller. For the remaining estate we have a 10-year plan to decarbonise buildings via LED lighting replacement as standard during refurbishment, total LED replacement plan for remaining estate, and a range of longer-term initiatives such as fossil fuel boiler replacement, solar PV array installation, and building fabric upgrades where applicable.

Sustainable Procurement

BTP applies the use of the Government Buying Standards (GBS) and management of supply chain impacts, as required by GGC. We have adopted the Cabinet Office stance to NZC on £5m+ major competitions but BTP lowered the threshold further such that competitions greater than £200k require suppliers to confirm their commitment to NZC and have a strategy in place by 2025.

We have collaborated with suppliers to provide NZC products from sustainable sources; uniform, manufactured from renewable, recycled, and sustainable materials, zero to landfill and a recycle to reuse initiative have all been introduced. All IT assets are tracked to end of life where they are assessed and recycled, remarketed, or redeployed and zero equipment is sent to landfill resulting in over 151tCO₂e saved during 2023/24.

We switched office supplies to that of being from sustainable sources, removed thousands of non-recyclable and single use plastic items from our ordering portal and introduced an annual sustainable supplier award category at the 'Us at our Best' awards to recognise the supplier who has made the greatest contribution in supporting BTP in our NZC journey.

We have chosen a Zero Carbon for Business electricity tariff which means the supply is backed by Zero Carbon nuclear power generation rather than power from the burning of fossil fuels, which shows our genuine commitment to Net Zero.

Staff support, engagement, recruitment, & learning

To include our people on the NZC journey we have set up a Net Zero Ambassador group to support change with how our people make climate conscious decisions to reduce their individual impact on the environment in work.



Regular sessions are held with updates given on sustainability ambitions and progress so news can be cascaded to colleagues to help bring about cultural change, a forum to meet, share & generate ideas and discuss ways to improve and reduce carbon emissions. This is backed up by an internal communication campaign to create engagement and raise awareness. This is further supported by a permanent resource area where people can access learning materials and packages, find links to relevant websites, PDF resources and external videos all related to Net Zero and the climate emergency.

All external and internal vacancies carry our strategy messaging to demonstrate our commitment to becoming a Net Zero organisation

Travel – Car Fleet

BTP fleet currently stands at 580 vehicles, 296 of these are cars. In total, 85 cars (29%) are now fully electric, which exceeded the Government Green Fleet 25% target of car fleet to be zero emission by December 2022.

Domestic Flights

During 2023/24, there were a total of 166 domestic flights (2022/23: 96⁵) which is an increase of 72.9% this year. The rise in domestic flights reflects that

5 2022/23 published accounts showed 75 flights. The difference is due to a late invoice from our travel supplier.

BTP is a National Police Force and a return to usual business post pandemic. The drivers of this increase are cost and time savings compared to other modes of transport. It reflects a reduction of 27.2% compared to BTP's 2019/20 revised baseline and a reduction of 32.2% compared to the GGC 2017/18 baseline.

Paper

Paper consumption remains below the operational target of <50% against the revised 2019/20 baseline and 2017/18 GGC baseline with an annual reduction of 20% for the year 2023/24. The shift towards more digital processes has kept paper usage to a minimum and we have ensured that only paper from sustainable sources can be ordered via our stationary supplier. We have placed orders in 2023/24 which will result in all multifunctional devices being replaced in 2024, resulting in higher energy efficiency and lower ink cartridge usage. This performance is expected to be maintained for future years.

Water

Water consumption continues to decrease to 2.88m³ per FTE which is well below the Government target of reducing consumption by at least 8% where a 51.9% reduction can be seen since 2017/18. Consumption is metered at 10% of

BTP locations with remaining sites where we have agreements to pay an unmetered service charge. BTP has a reducing level of water per FTE that reflects lower occupancy of buildings in the sites with metered water. This trend is set to continue downwards as planned estate relocations save space and utilities.

Waste

The Greening Government Commitment targets to reduce the overall amount of waste produced by 15% from the 2017 to 2018 baseline has been exceeded, since only 1% (178t) went to landfill in 2023/24 (2022/23: 6%). The Total Facilities Management (TFM) contract covers collection and disposal of waste at over 40% of BTP's sites; the remaining sites have waste collection and disposal service provided by the landlord. Landlords reported that a total of 108 tonnes was sent to landfill in 2022/23.

Sustainable construction

BTP have not had any major refurbishment during the last financial year but are in the final planning stages to relocate the London Hub at the end of 2024. The reduction in floorplate as a result of relocation is c. 50% and whilst the landlord is responsible for the refurbishment,

BTP are fully consulted. Sustainability and NZC factors are included in all the plans which will deliver substantial reductions in carbon emissions immediately and long into future years.

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. Climate change adaptation is embedded within overall governance, decision making, and assurance processes and Net Zero guidance and considerations are included in business cases where relevant as standard.



Hugh Ind

Accounting Officer

Date 25 July 2024



ACCOUNTABILITY REPORT



CORPORATE GOVERNANCE
REPORT

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CORPORATE GOVERNANCE REPORT

DIRECTORS' REPORT

Authority Members:



RON BARCLAY-SMITH

Chair

Appointed 5 March 2018. Re-appointed 5 March 2022 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority: Chair
- Appointments, Remuneration and Appraisal Committee: Chair
- Scottish Railways Policing Committee: Chair (until 23 November 2023)

Appointments outside BTPA:

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



DYAN PERRY

Deputy Chair

Appointed 12 February 2024 with a term of four years and a notice period of three months.

BTPA responsibilities:

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

Appointments outside BTPA:

- Network Rail: Non-Executive Director (from 24 June 2024)
- Newton Consultancy: Advisor
- East West Railway Company: Non-Executive Director (Arm's length body of DfT, Chair of SHE Committee)
- Australia Government: High Speed Rail Authority: Non-Executive Director
- TransPennine Route Upgrade: Non-Executive Director (DfT Representative on Program Board)
- High Speed Rail Group: Chair
- National Skills Academy – Rail: Chair
- MEDD Properties Ltd: Director



BILL MATTHEWS

Appointed 1 November 2012. Reappointed 31 October 2019 with a term of three years and a notice period of three months. Term ended 30 April 2023.

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: Interim Chair



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. Term ended 25 January 2024.

BTPA responsibilities:

- Police Authority
- Finance, Legitimacy and Performance Committee
- Pensions Working Group
- People and Culture Committee: Chair
- Policing Plan Working Group

Appointments outside BTPA:

- North West Anglia NHS Trust: Non-Executive Director Deputy Chair
- De Montfort University: Independent Governor
- De Montfort University Students Union DSU Ltd: Director
- Blue Amaranth Consulting Ltd: Owner



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
- Stakeholder Engagement Working Group: Chair (from 31 January 2024)
- Finance, Legitimacy and Performance Committee
- Scottish Railways Policing Committee

Appointments outside BTPA:

- None



ANDREW COOPER

Appointed 20 May 2019 with a term of four years. Appointed Interim Deputy Chair 1 December 2020 on a temporary basis until 19 May 2023. Reappointed 20 May 2023 with a term of four years and a notice period of three months including extension as Interim Deputy Chair extended until 11 February 2024.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee
- Strategy and Planning Committee: Chair
- Pension Working Group: Deputy Chair
- Policing Plan Working Group (until 31 January 2024)

Appointments outside BTPA:

- None



KENNA KINTREA

Appointed 20 May 2019 with a term of four years and a notice period of three months. Reappointed 20 May 2023 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
- Policing Plan Working Group (until 31 January 2024)
- Strategy and Planning Committee (from 31 January 2024)

Appointments outside BTPA:

- Akorua Ltd: 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. Reappointed 20 May 2023 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Finance, Legitimacy and Performance Committee: Chair (from 31 January 2024)
- Strategy and Planning Committee
- Policing Plan Working Group: Deputy Chair

Appointments outside BTPA:

- Civil Nuclear Police Authority Independent Member
- City of London Police Authority: Independent Member
- CTM Strategy and Consulting Ltd: Director



FIONA BRUNSKILL

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

BTPA responsibilities:

- Police Authority
- Appointments, Remuneration and Appraisal Committee (until 31 January 2024)
- Pension Working Group: Chair (from 31 January 2024)
- Strategy and Planning Committee: Deputy Chair

Appointments outside BTPA:

- Transport for London: Chief People Officer



EMIR FEISAL

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

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance: Deputy Chair
- Strategy and Planning Committee
- Finance, Legitimacy and Performance Committee (from 31 January 2024)
- Pension Working Group (until 31 January 2024)

Appointments outside BTPA:

- The Planning Inspectorate: Non- Executive Director and Chair of Audit
- YMCA London City & North: Director of Corporate Services (Part Time)
- Companies House: Non-Executive Director & Chair of Audit Committee
- The Bar Standards Board: Non-Executive Director
- The Pension Ombudsman: Non-Executive Director



- Driver and Vehicle Standards Agency: Non-Executive Director & Chair of Audit Committee (term ended in February 2024)
- Disclosure and Barring Service: Non-Executive Director & Chair of Audit Committee
- Public Service Honours Committee Cabinet Office: Committee member
- Ministry of Justice: Magistrate, and Judge of the family Court
- Wycombe Abbey, Independent Girls School: Governor



NICK HAWKINS

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

BTPA responsibilities:

- Police Authority
- Appointments, Remuneration and Appraisal Committee
- Complaints Review Panel
- People and Culture Committee: Chair (from 31 January 2024)

Appointments outside BTPA:

- Office of Police and Crime Commissioner: Legally Qualified Chair, West Midlands North East South East and South West regions
- Royal Institution of Chartered Surveyors: Lay Chair and Member, Regulatory Tribunal
- The Hawkins Consultancy Ltd: Director
- Tenancy Normanton Chambers: Barrister (Self-employed as a tenant in chambers)
- Wellesbourne Sports and Community Centre: Trustee



LORD JACKSON OF PETERBOROUGH (STEWART JACKSON)

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

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee (until 31 January 2024)
- Complaints Review Panel
- People and Culture Committee

Appointments outside BTPA:

- Department for Transport: HS2 Residents' Commissioner
- Wheelpower: Chair of Fundraising Committee
- Regen Aspire Limited: Director
- Political Insight Ltd: Founder, Chairman and Director
- House of Lords: Peer of the Realm as Baron Jackson of Peterborough



BRIAN LYNCH

Appointed 15 January 2024 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Audit and Risk Assurance Committee (from 31 January 2024)
- Finance, Legitimacy and Performance Committee: Deputy Chair (from 31 January 2024)

Appointments outside BTPA:

- Transport for London: Head of Operations



PATRICIA HAYES

Appointed 15 January 2024 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Finance, Legitimacy and Performance Committee
- People and Culture Committee: Deputy Chair (from 31 January 2024)

Appointments outside BTPA:

- Skanska, Costain, Strabag Joint Venture: Chair, Integrated Programme Team Partnering Board
- Baringa Management Consulting: Adviser
- London Travelwatch: Chair
- Transport Focus: Member



PAULA CARTER

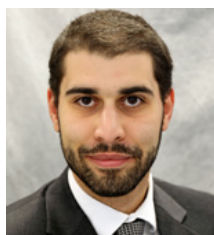
Appointed 15 January 2024 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Appointments, Remuneration and Appraisal Committee
- People and Culture Committee
- Strategy and Planning Committee

Appointments outside BTPA:

- HM Court and Tribunal Services (HMCTS): Magistrate
- Rugby Football Union (RFU): Non-Executive Director
- Port of London Authority: Vice Chair
- Chartstone Ltd: Director
- Be the Business Ltd (Commercial): Non-Executive Director (until 31 March 2024)
- Ofcom's Advisory Committee for England: Chair



ABDUL ELGHEDAFI

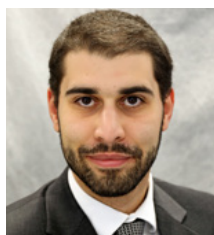
Appointed 15 January 2024 with a term of four years and a notice period of three months.

BTPA responsibilities:

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

Appointments outside BTPA:

- London Borough of Harrow: Assistant Principal Lawyer (Acting for London Borough of Harrow, Barnet and Hounslow and Slough Borough Council)
- Department for Education and Welsh Government: Independent Assessor (Student Finance Appeals and Complaints)
- Department for Transport: Independent Appeals Panel Member and Chair (Penalty Fare Appeals on behalf of Train Operating Companies (TOCs))



- ERA Services: Impartiality Committee Member
- NHS South, Central and West Commissioning Support Unit: Independent Member for Kent Medway Individual Funding Request (IFR) Service
- First Tier Tribunal in Scotland: Ordinary Member
- University of Aberdeen: Senior Tutor
- London Borough of Islington Council: Independent Panel Member for the Support Payment Scheme
- British Dietetic Association: Non-Executive Director
- General Teaching Council for Scotland: Council Member



IAIN WHYTE

Appointed 6 November 2023 with a term of four years and a notice period of three months.

BTPA responsibilities:

- Police Authority
- Scottish Railways Policing Committee: Chair (from 24 November 2023)
- Policing Plan Working Group
- Pension Working Group

Appointments outside BTPA:

- City of Edinburgh Council: Councillor
- Edinburgh March Riding Association Ltd: Chair
- Edinburgh International Conference Centre Limited: Director
- EDI Group Ltd: Director

Authority Officers

Chief Executive Officer –

Hugh Ind

**Chief Financial Officer and
Treasurer – Sarah Church**

**Chief Financial Officer and
Treasurer (interim from 15
August 2022 – 14 September
2023) – Rubeela Qayyum**

BTP Chief Officer Group

Chief Constable – Lucy D’Orsi CVO QPM

Deputy Chief Constable – Alistair Sutherland QPM

Assistant Chief Constable: Public Contact and Specialist Crime – Charlie Doyle

Paul Furnell (temporary appointment to cover ACC Doyle from 8 January 2024 to 6 July 2024)

Assistant Chief Constable: Specialist Operations – Sean O’Callaghan

Assistant Chief Constable: Network Policing (permanent appointment 31 March 2023 following temporary appointment to role in August 2021) – Allan Gregory

Director of Corporate Services – Tracey Martin, term ended 29 May 2023

Steff Sharp (temporary appointment from 19 June 2023 to 19 August 2024)

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 2021. It had an asset base of £1,746 million and a Technical Provisions funding level of 104%.

The last full valuation of the Staff scheme took place as at 31 December 2022. This valuation was approved in June 2024.

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 BTP's Anti-Fraud, Bribery and Corruption Policy. The policy is available to read on the BTPA website.

In line with best practice, BTP and the Authority are pro-active in the prevention and detection of fraud, bribery and corruption, using risk assessments to determine workstreams and areas of focus.

BTP and the Authority 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 £165,000 (2022-23: £143,500). The delivery of this audit is sub-contracted to KPMG LLP. Neither KPMG LLP or the C&AG undertook any non-audit work for BTPA (2021-22: £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.

Events occurring after the reporting date

There are no events to report.

The Accounting Officer authorised these financial statements for issue on the date of the Comptroller and Auditor General signature.



Hugh Ind
Accounting Officer

Date 25 July 2024

Caerdydd
Canolog

Cardiff
Central



CORPORATE GOVERNANCE REPORT

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, Statement of Financial Position, 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 and associated assets, liabilities and cash flows which come under 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.

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

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.

I also confirm that the annual report and accounts are fair, balanced and understandable, and I take personal responsibility for judgements made to ensure that they are fair, balanced and understandable.

CORPORATE GOVERNANCE REPORT

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 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 Authority and the Chief Constable have access to the Ministerial team, to discuss policing and strategy.



BTPA have a duty to discharge oversight of BTP, ensuring 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 strive for continuous improvement of governance, in terms of committee structures, reporting to committees and reviewing board effectiveness. The Code of Governance is reviewed annually, refreshed to incorporate changes and is available on the BTPA website.

In 2023/24, a key focus of committee oversight has been financial planning, investment planning and benefits and efficiencies. We seek to provide value-for-money to our stakeholders and have an appetite to invest in projects that will enhance efficiency and allow us to grow our partnerships with industry – all resulting in a better policing service for both passengers and industry (see examples in the Performance summary).

The Chief Constable has continued focusing on improving the culture and accountability at BTP, resulting in greater empowerment for employees and strengthened ownership of key areas by senior management. There has also been a drive to understand the capacity of the Force and how to maximise this, particularly where there is increased demand on policing. The Capacity Planning Tool has enabled decision-making to find an optimal model for policing, an initiative that is in its early stages of implementation as at 31 March 2024.

There continues to be a high level of external scrutiny of policing, therefore gaining assurance of legitimate use of police powers receives a high level of scrutiny across committees. Additional demand for policing this financial year has been challenging, particularly responding to the public

protests following the conflict in the Middle East. Protests require very careful management. Strong operational governance has allowed the Force to navigate this; with oversight from the committees. Understanding the needs of the communities BTP/A serve is integral to improving trust and confidence. BTPA have led Strategic Independent Advisory Group meetings to better understand our communities.

Both organisations have worked closely together to understand, mitigate and manage strategic risks. This, in turn, is used to plan risk-based assurance activities across the three lines of defence. Mapping the assurance obtained allows me, as Accounting Officer, to oversee the internal control environment. Strengthened reporting to BTP boards and BTPA committees enables collaborative discussions on internal controls and oversight of any remedial actions required. The use of strategic risk deep dives has facilitated a better understanding of the risks which provide the greatest threat to the organisation, and the assurance is in place to validate that the mitigating processes and controls are designed and operating effectively. Further detail follows in the Risk Management and Assurance sections of the Governance Report.

The coming year will see a high level of change in BTP/A as our Estates are rationalised, including moving our London Hub, the new optimised policing model is implemented and from external factors including government railway reform and the economic environment. 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 Structure at 31 March 2024

The Authority

The British Transport Police Authority is responsible for ensuring an efficient and effective police force for the railways. It was established by the **Railways and Transport Safety Act 2003**.

The Authority Executive The Authority's Executive team supports the Members by:

- Ensuring there are efficient and effective processes in place to meet the Authority's statutory duties
- Developing plans and strategies to complement the formal governance structure such as a Stakeholder Engagement Plan
- Providing an assurance function
- Owning and running the cost allocation model to defray the costs of policing

Statutory Duties

- Secure the maintenance of an efficient and effective police force
- Ensure the efficient and effective policing of the railways
- Appoint the Chief Constable, Deputy Chief Constable and Assistant Chief Constables
- Enter into Police Service Agreements with railway operators
- Employ police constables and staff
- Regulate the governance, administration and conditions of those employed by BTP
- Set a strategy, objectives and budget for the policing of the railway
- Undertake public consultations

Sub-Committees and BTP Force Executive Board

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 BTP and BTPA
- Lead on workforce matters including conditions of service of police officers, staff and specials
- Leading on the engagement with staff associations

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 on value for money in relation to those elements of the BTPA Fund invested in railway policing in Scotland

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

Pension Working Group

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

Finance, Legitimacy and Performance

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

People and Culture

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

Strategy and Planning

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

Stakeholder Engagement Working Group

- Oversee and advise on BTP and BTPA's communication and engagement with industry, the public and other important stakeholders as well as alignment of BTP and BTPA stakeholder engagement
- Oversee refresh of the Policing Plan

Complaints Review Panel

- Independently review BTP locally handled complaint enquiries when requested by a member of public, focused on the handling and the outcome of the complaint and whether this was reasonable and proportionate
- Considers organisational learning and trends arising

BTP Force Executive Board

- 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 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) is chaired by Kenna Kintrea. It currently has five Members, met five times in 2023/24 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
- His Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS) and His 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 DfT
- Monitoring and assessing compliance with and performance against statutory duties
- Reviewing risk deep dives

Appointments, Remuneration and Appraisal Committee

The Appointments, Remuneration and Appraisal Committee is chaired by Ron Barclay-Smith. It currently has three Members, met three times in 2023/24 and considered issues including:

- Assistant Chief Constable Recruitment
- Senior Officer and Staff Performance Reviews

Finance, Legitimacy and Performance Committee

The Finance, Legitimacy and Performance Committee (formerly called the Performance & Delivery Committee) is chaired by Craig Mackey. It currently has five Members, met four times during 2023/24 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 the Policing Plan and Financial and Commercial performance
- Quarterly monitoring of Legitimacy including Arrests, Custody, Use of Force, and Stop and Search

- Thematic deep dives on topics including Race Action Plan, Use of Force and Custody
- A risk deep dive on Legitimacy

Strategy and Planning Committee

The Strategy and Planning Committee is chaired by Andy Cooper. It currently has six Members, met four times during 2023/24 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:

- The Medium-Term Financial Plan 2024-29
- Horizon scanning
- Oversight of thematic areas of strategy implementation
- Annual review of the 2022-25 Policing Plan
- Dispensing with the Cost Allocation Model Wash Up process.
- Recommendation of business cases to the Full Authority
- Oversight of 'A Force on the Move' transformation programme and Net Zero Carbon Strategy

- The allocation of Police Service Agreement Charges to industry for 2024-25
- Integrated Security and Policing Pilot
- Risk deep dives on Partnership Working and Change Management

Scottish Railways Policing Committee

The Scottish Railways Policing Committee was chaired by Ron Barclay-Smith until 23 November 2023 then Iain Whyte. It has three Members from BTPA and two Members from the Scottish Police Authority (SPA). It met four times in 2023/24. The Committee provides assurance to the 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
- Annual Review of 2022-25 Policing Plan with regards to Scotland

- Thematic items on BTP Sustainability/Net Zero Carbon, Trespass, Mental Health Stop & Search, Professionalism and Force Crime Assessment and Allocation Policy
- BTP Neighbourhood Policing Strategy 2022-25
- Engagement with industry partners from Scotland
- Annual value for money report for BTP in Scotland

People and Culture Committee

The People and Culture Committee was chaired by Bev Shears until her term ended on 25 January 2024. The current chair is Nick Hawkins. It currently has five Members. It met five times in 2023/24 and considered a range of issues including but not limited to:

- Quarterly monitoring of People performance data
- Gender and ethnicity pay gap reports
- Force Equality, Diversity and Inclusion
- Professionalism and misconduct
- Wellbeing, health and safety

- People Strategy 2022–25
- Attraction, Recruitment and Retention
- All People Survey Results
- Strategic Workforce Plan
- Learning & Development
- Staff and Police Officer Pay Award
- Initiatives to promote appropriate internal culture within the Force
- Annual Report of Complaint Reviews
- Risk deep dive on Legitimacy



Stakeholder Engagement Working Group

The Stakeholder Engagement Working Group was chaired by Willie Gallagher. The Stakeholder Engagement Working Group reports to the Strategy and Planning Committee. It currently has three Members and met once in 2023/24. It is responsible for overseeing and advising on communication and engagement with industry, the public and other important stakeholders by the Force and the Authority, as well as any refresh of the Policing Plan. The Terms of Reference are being reconsidered.

Pension Working Group

The Pension Working Group reports to the People and Culture Committee. It was chaired by Fiona Brunskill during 2023/24 and currently has three Members. It met four times in 2023-24. 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 and outcome of complaints and determine whether the complaint in question was dealt with reasonably and proportionately and the outcome logically flows from the findings. In addition to providing assurance to the public in respect of how their complaints have been handled, the Panel also considers any themes or trends and wider organisational learning with reference to complaints. This is in accordance with the Complaints and Misconduct Regulations 2020 and the Independent Office of Police Conduct Statutory Guidance. It consists of three Members and the Head of Legitimacy and Performance and met 12 times (2022/23: 11) to consider 37 reviews in 2023/24 (2022/23: 34). Its annual report was submitted to the People and Culture Committee in March 2024.

Committee Attendance

| Member name | Number of Authority meetings attended/ number of Authority meetings available | Number of Appointments, 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 |
|------------------------------|---|---|--|---|---|
| Ron Barclay-Smith | 4/4 | 3/3 | | | |
| Andrew Cooper | 4/4 | | | 3/3 | 5/5 |
| Fiona Brunskill | 4/4 | 3/3 | | | |
| Emir Feisal | 3/4 | | | | 4/5 |
| Willie Gallagher | 3/4 | | | | |
| Nick Hawkins | 4/4 | 3/3 | 12/12 | 4/4 | |
| Stewart Jackson | 4/4 | | 10/12 | 4/4 | 4/4 |
| Kenna Kintrea | 4/4 | | | | 5/5 |
| Sir Craig Mackey | 3/4 | | | | |
| Beverley Shears ¹ | 2/3 | | | 3/3 | |
| Iain Whyte ² | 2/2 | | | | |
| Abdul Elghedafi ³ | 1/1 | | 2/2 | 1/1 | 1/1 |
| Brian Lynch ⁴ | 1/1 | | | | 0/1 |
| Paula Carter ⁵ | 1/1 | 0/0 | | 1/1 | |
| Patricia Hayes ⁶ | 1/1 | | | 1/1 | |
| Dyan Perry ⁷ | 1/1 | 0/0 | | | |

1 Beverley Shears left on 25/01/2024

2 Iain Whyte joined on 06/11/2023

3 Abdul Elghedafi joined on 15/01/2024

4 Brian Lynch joined on 15/01/2024

5 Paula Carter joined on 15/01/2024

6 Patricia Hayes joined on 15/01/2024

7 Dyan Perry joined as Deputy Chair on 12/02/2024

Committee Attendance

| Member name | Number of Finance, Legitimacy and Performance 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 Stakeholder Engagement Working Groups attended/ number of meeting dates available | Number of Pension Working Groups attended/ number of meeting dates available |
|-------------------------------|--|--|---|---|--|
| Ron Barclay-Smith | | | 3/3 | | |
| Andrew Cooper | | 4/4 | | 1/1 | 1/1 |
| Fiona Brunskill | | 3/4 | | | 4/4 |
| Emir Feisal | 0/1 | 2/3 | | | 2/3 |
| Willie Gallagher | 4/4 | 1/1 | 3/4 | 1/1 | |
| Nick Hawkins | | | | | |
| Stewart Jackson | | | | | |
| Kenna Kintrea | | 2/2 | 4/4 | 1/1 | |
| Sir Craig Mackey | 4/4 | 3/4 | | 0/0 | |
| Beverley Shears ⁸ | 3/3 | | | 1/1 | 1/3 |
| Iain Whyte ⁹ | | | 2/2 | 0/0 | 1/1 |
| Abdul Elghedafi ¹⁰ | | | | | |
| Brian Lynch ¹¹ | 1/1 | | | | |
| Paula Carter ¹² | | 1/1 | | | |
| Patricia Hayes ¹³ | 1/1 | | | | |
| Dyan Perry ¹⁴ | | 1/1 | | | |

8 Beverley Shears left on 25/01/2024

9 Iain Whyte joined on 06/11/2023

10 Abdul Elghedafi joined on 15/01/2024

11 Brian Lynch joined on 15/01/2024

12 Paula Carter joined on 15/01/2024

13 Patricia Hayes joined on 15/01/2024

14 Dyan Perry joined as Deputy Chair on 12/02/2024

Executive Team

BTPA has an Executive Team of 13, 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 DfT.

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

BTP/A follow the Orange Book of Risk Management, enabling a positive risk culture and continuously working to embed risk management further in

their activities and decision-making.

This year we have assessed the maturity of risk management within the organisation against a standard maturity model. The result was a five-year risk management strategy which guides the risk management work and allows progress to be tracked.

Risk management remains a standing item at all BTPA committees and at the Force Executive Board meetings. Committees are assigned specific strategic risks to oversee that aligns with their responsibilities, though the Authority is responsible for overall oversight. An annual workshop is 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.

A deep dive process has been conducted on all strategic risks allowing for owners to provide greater assurance on how the strategic risk is being managed and for committees to receive detailed information on the risks they retain oversight on. This process has allowed the scoring and wording of each risk to be refined and provides assurance that the risks are being managed at the right level. It allows the committees to monitor the delivery of actions to

mitigate the risks more effectively.

BTP/A acknowledges there is still more to do to fully embed risk management across the organisation. The deep dive process will continue into the next year but will be more focused in its approach. Work will be undertaken to enhance the process by considering strategic planning and performance to provide more insight into the risks and enable greater risk-based decision making.

Risks are assessed using a 5 x 5 impact and probability matrix with well-defined scoring criteria and target scores are allocated based on the risk appetite. Through the strategic risk deep dives, the work of the BTP Audit, Risk, Inspection and Compliance Board, independent audits and inspections and general compliance assurance work, risk controls are reviewed to ensure they are working effectively to manage the risk. This will continue to be a focus and will be developed further through the work to improve our risk maturity. Quarterly reviews of the strategic risks 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 on the following page.

CORPORATE GOVERNANCE REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

2022–27 Strategic Objectives:



Crime prevention and safeguarding to reduce the likelihood of people coming to harm on the railways



Target our efforts to ensure fewer victims of the most serious crime



Innovate and collaborate with our stakeholders to reduce disruption



Build the trust and confidence of passengers and rail staff to defeat criminality together



Generate value for money through the exploitation of technology, adapting to meet the future



Build a modern and inclusive Force where our people are well-equipped, well-trained, well-led, well-cared for and reflect the best of our communities

Key to Future Trend

(medium – long term, over the next 1–5 years):

Risk expected to remain stable:



Risk expected to increase over next 1–3 years:




Risk expected to decrease over next 1–3 years:



| Risk | Mitigating Actions in place | Future trend |
|---|---|---|
| <p>Recruitment & Retention: Due to challenges in the recruitment market, BTP may not be able to attract, retain, and progress employees who exemplify our values, leading to a loss of confidence and trust from the public</p>  | <ul style="list-style-type: none"> • Workforce plan sets out the 5-year plan for recruitment priorities for the Force- overseen by the Strategic Workforce Planning Board who discuss decisions and priorities across the organisation. GIAA assurance was obtained over Workforce Planning. • Inclusion & Diversity (I&D) Strategy where progress is tracked by the I&D Board. Components of this are a dedicated I&D Recruitment team and introducing part-time officer roles. • Pay & Conditions Strategy, to ensure BTP/A offers competitive pay and conditions in order to attract and retain appropriately skilled staff for all roles within the organisation. • Pay Awards are recommended by the Police Remuneration Review Body, an independent organisation. In 2023/24 their pay award recommendation was implemented. • The Learning & Development strategy outlines key themes for BTP to meet its requirements to be a modern and inclusive force that develops staff in a flexible way and ensuring geographical location does not inhibit recruitment. • Occupational Health (OH) Services brought in-house to enhance the provision. • The Strategic Learning Requirement has been produced to prioritise budget spend to ensure we have well-trained and equipped officers. | <p>< ></p> <p>This risk is expected to remain stable over the coming years Work will continue to implement and embed the strategies. Low turnover levels indicate a stable trend on this risk.</p> |
| <p>Legitimacy: Due to unfair policing practice or ineffective professional standards, BTP may not be able to provide a trusted and legitimate service to the public, leading to a lack of public confidence</p>  | <ul style="list-style-type: none"> • The Professional Standards Department ('PSD') are dedicated to upholding the highest standards of conduct in policing, investigating allegations of inappropriate behaviour and ensuring policing ethics is integrated into the culture. • Clear reporting processes are in place to enable reporting of wrong-doing internally. • Independent Scrutiny Panels review instances of Stop & Search and Use of Force. • Inclusion & Diversity (I&D) Strategy (includes Race Action Plan). • Monitoring disproportionality of powers (Stop & Search/Use of Force). • Established processes for business interests, gifts & hospitality and reporting changes in circumstances. • Compliance with Equality Act 2010 (Public Sector Equality Duty) and inclusion of Equalities Impact Assessments in decision-making. • Publication of misconduct hearing resolutions. • Force training on counter-corruption, including "Abuse of Position". • Promulgation and Compliance with the Police Code of Ethics. • NPCC data wash – checking all employees against the Police National Database – which will be done annually. | <p>< ></p> <p>This risk is expected to remain stable over the next years due to the current public perception of policing and the time required to demonstrate meaningful impacts on trust and confidence. Linked closely to the People risk, controls ensure BTP are recruiting suitable people into Policing.</p> |


| Risk | Mitigating Actions in place | Future trend |
|---|---|--|
| <p>Partnership Working: 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>  | <ul style="list-style-type: none"> • BTP/A continue to engage with key partners across the rail industry to influence the future of security provision to the railway. • Workstreams have been set up to identify smarter ways of working between BTP and rail partners including a station pilot with Network Rail and establishment of a Working Together Group. • Regular meetings in place with BTP/A Heads of Engagement to ensure they are aligned and share key outputs. • Agreement from partners to move from an annual cycle to a three-year policing plan cycle to provide greater certainty on priorities and to encourage more commitments to longer term partnership working. • Industry input into the policing plan. • Stakeholder meeting tracker for all who are undertaking engagement from within BTP. • BTP/A Stakeholder Engagement Working Group. • Regular engagement by BTP/A with industry partners via several existing forums. • Monthly newsletter on BTP activity sent to industry, Government and BTP/A stakeholders. | <p>◀ ▶</p> <p>The risk is stable and encompasses opportunities for greater collaboration.</p> <p>The focus of this risk will be reviewed in 2024/25 to ensure it captures work with partners and stakeholders.</p> |
| <p>Cyber & Data Security: 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>  | <ul style="list-style-type: none"> • A Cyber Security Framework, Strategy, and associated programme plan to improve the overall Cyber Security maturity across BTP is in place. • The structure of the Cyber Security team was re-designed and resourced in 2022 aligned to the Strategy and Framework requirements. • There is a Cyber incident response plan in place, with regular exercises and testing. • Preventative upgrades, monitoring and regular patching protect the network. • Information sharing allows the cyber team to be notified of major projects and changes to physical security. • Resilience – Business Continuity Plan in place, with priority applications assessed and operational requirements documented. • Cyber & Information Assurance Board in place to ensure clear direction and visible management support for the assurance of information and systems and the governance of our information through the lens of risk awareness, risk monitoring and management and risk mitigation. • Phishing and password tests to ensure staff have sufficient knowledge of cyber threats. | <p>✓</p> <p>This risk is expected to remain stable over the short term but slowly reduce over the next 3 years based on the current plans to mitigate and control. Although the threat of Cyber-attacks remains high in the current global climate, we remain vigilant to this threat to our operations.</p> |

| Risk | Mitigating Actions in place | Future trend |
|---|--|---|
| <p>Financial Sustainability: BTP/A may not have sufficient funding to deliver the required level of service due to government and industry financial stability or weak BTP/A financial control and management including demonstrating value for money, leading to ineffective and untimely decision-making, financial loss, loss of trust and inability to meet strategic objectives.</p>  | <p>The description of this risk was reviewed within year to re-balance income and financial management.</p> <ul style="list-style-type: none"> • Internal financial discipline through compliance with strong and effective policies to control and manage the use of resources, including budget holder delegation letters, finance leadership training, annual budgets, quarterly forecasting, financial targets and performance indicators to help assess delivery. • Monthly and quarterly reporting to ensure senior and external oversight of financial position, forecasts, benefits and efficiencies, and risks and opportunities. This includes a quarterly Finance Assurance Board to provide oversight of financial controls; periodic financial reporting to senior decision-makers and Members, medium to long-term unfunded pressures reported into the Strategy & Planning Committee and a Pensions Working Group • Third party assurance (internal audit of at least one financial area each year, external audit of financial statements, HMICFRS and Management Assurance Return). • Procurement, projects and processes in place to secure value for money and efficiencies/productivity gains including using Crown Commercial Service procurement framework, business case evaluation, Force on the Move transformation programme • Regular engagement and interaction with DfT and other key stakeholders (e.g. RDG, Tfl, TOCs) to understand future reforms, identify new potential funding opportunities and find efficiencies/productivity gains. Five-year medium term financial plan agreed by BTPA and communicated with the DfT. | <p>◀ ▶</p> <p>The risk increased in year due to financial pressures. With stronger financial oversight from members of spend, this risk is expected to remain stable.</p> |

| Risk | Mitigating Actions in place | Future trend |
|---|--|--|
| <p>Transformation: Due to emerging influences on our strategy and policy plan, BTP/A may not design and deliver a sustainably funded and resourced strategic transformation portfolio to provide an affordable, effective, and efficient service, leading to operational, reputational, and financial impacts.</p>  | <ul style="list-style-type: none"> • Investment planning and MTFP prioritisation process in place to align investment with affordability and strategic priorities. • ENTERPRISE project and programme management methodology in place to govern project lifecycle through 7 stages and provide a full suite of project controls. • Portfolio Management Office (PMO) with staff professionally accredited (or training for the qualification) driving up standards and consistency of delivery and reporting. • Regular tracking and reporting of programme/project delivery, to senior leaders and BTPA • Scheme of Delegation in place ensuring high value investment business cases are appraised and approved. • Devolved programme architecture in place providing Chief Officer Group-level Senior Responsible Officers (SRO) with ownership of change within their span of command, supported by dedicated project and change resources. Dedicated Finance Business Partner in place. • Change strategy and cascade led by the Chief Constable and Force Executive Board (FEB), supported by organisational leadership. • BTP Portfolio Board in place to review portfolio progress and approve business cases/Business as Usual Handover Reports/Post-Implementation Reviews and Change Control. • Regular SRO Portfolio delivery reviews chaired by Deputy Chief Constable (DCC). • Internal audit against the Government Efficiencies Framework. | <p style="text-align: center;">▼</p> <p>The transformation portfolio is a key enabler to deliver the strategy. Strong governance remains in place around programme and project management.</p> |



| Risk | Mitigating Actions in place | Future trend |
|---|--|---|
| <p>Wellbeing, Health & Safety: Due to a lack of understanding of Health, Safety & Wellbeing responsibilities and inadequate H&S resourcing, BTP and BTPA may fail to embed a culture where the wellbeing, health and safety of staff is engrained in everything we do. This could lead to harm to our people and the public, legislative non-compliance and enforcement action.</p>  | <ul style="list-style-type: none"> • Full H&S governance structure and framework in place with up-to-date Health and Safety Policy, legally compliant arrangements and guidance. • Safety Management System implemented and communicated across all employees to encourage standardised reporting of incidents. • Divisional and Central Health & Safety Committees held quarterly to review H&S risks/ issues including officer assaults and the wider Wellbeing agenda; with exceptions cascaded to senior leadership and BTPA • Annual Wellbeing, Health & Safety statement reviewed by the Authority. • Wellbeing, Health & Safety Strategy published setting out our aims to improve understanding of responsibilities and support available. • Specialist Trauma Risk Management (TRiM) support in place for those who need support from traumatic events. • BTP Wellbeing projects aligned to the National Police Wellbeing Service projects and research; services are embedded and widely understood. | <p style="text-align: center;">▼</p> <p>This risk continues to reduce over the next 3 years as our controls embed and mature. We work hard to minimise the health & safety risks and have been steadily improving this service over the last few years. An internal audit of Health & Safety confirms the progress made to date and that continues to be made.</p> |
| <p>Major Incidents: Failure to effectively plan and prepare, including scenario testing, for a major incident, terror attack, pandemic or natural disaster, which may lead to an operational impact, financial loss and loss of public confidence.</p>  | <ul style="list-style-type: none"> • BTP jurisdiction clarified for major incident responses and officers trained in interoperability with other emergency services. • Exercise & Testing Calendar in place including participation with exercising and testing with other forces/organisations. • Tried and tested structures in place for the receipt of appropriate intelligence and established intelligence feeds back into Counter Terrorism (CT) Network. • Additional training in place for new student officers at Spring House with emphasis on “Vigilance”. • BTP embedded into wider National Police Chief’s Council (NPCC) National CT structures and forums at strategic and tactical levels. Seconded into Homeland Security for BTP integration into national exercises. • Operation to increase police presence at strategic locations and times to deter criminality, including acts of terrorism • Conducted an external peer-led review into BTP’s current CT Establishment against current threat, harm, and risk as well as an internal audit. • A Natural Disasters team ensure preparedness for climate-related incidents. | <p style="text-align: center;">▼</p> <p>While this remains a high impact threat, BTP/A expects this risk to reduce over the next 3 years as our additional controls continue to embed and our capability increases as a result. We have fully implemented the recommendations following the Manchester Arena Inquiry and work to continually improve our capability in this area.</p> |

| Risk | Mitigating Actions in place | Future trend |
|---|---|---|
| <p>Technology: Failure to deliver an appropriate and effective digitalised police service due to lack of a robust and well-managed strategic plan, funding, capacity and capability, leading to disengagement of staff, operational challenges and financial loss.</p>  | <ul style="list-style-type: none"> • Annual Information Technology Health Checks (ITHC) conducted and remedial actions undertaken to enable accreditation to key Home Office systems. • Implementation of End User Compute Plan to provide officers/staff with the right technology for their needs. • Fixing the Fundamentals Strategy approved, and full funding agreed by FEB to stabilise and improve IT infrastructure. • Reliability, Availability, Serviceability (RAS) Strategy approved by FEB setting about approach to stabilise and improve IT infrastructure. • IT operates with an effective Internal Governance Framework. • Service transition plan for all projects. • Proactive management of core IT suppliers to ensure financial control and optimisation. Contract Management Plans are in place. • Dedicated Digital Policing Team in place to manage digital ambition and measure the benefits of digital delivery. | <p style="text-align: center;">▼</p> <p>This risk is expected to continue to reduce as the Force technology area becomes more stable and can support our strategic objectives more effectively. This reflects the investment the force has made over the last few years in upgrading our technology. To ensure the risk remains managed, continued investment will be required.</p> |



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 Cabinet Office security policy frameworks, Home Office and National Cyber Security Centre requirements, UK Data Protection legislation and all other pertinent laws 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 Cyber & Information Assurance Board (C&IAB) act as force-wide governance, compliance and assurance meetings, reporting into the BTP Audit, Risk, Inspection & Compliance Board (ARIC), which in turn reports on an exceptions basis into the Force Executive Board (FEB) and the Audit & Risk Assurance Committee (ARAC).

BTPA continues 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, creating a self-service capability to enable a data-driven police service.

Areas of focus for the year included strengthening the management of information assets, through a network of trained and supported information asset owners. A focus on raising the quality of data ensures it can be trusted and used to enable data-driven decision making.

Personal data related incidents

During 2023/24 there were 70 (2022/23: 46) incidents involving personal data breaches which were assessed for threat, risk and harm. Several involved incorrect internal mail recipients and were assessed as low risk. BTP formally notified the Information Commissioner's Office (ICO) of two data breaches in this reporting period (2022/23: one). Both cases have been closed by the ICO with no further action taken.

There were three Data Protection Concern referrals received from the ICO in 2023/24 (2022/23: three). The Commissioner considered that BTP had not complied with the Data Protection Act in one case and had complied in another case. There was no assessment made in the third case. None required substantive further action beyond communication of BTP's position.



Assurance activities

Internal Audit

The Government Internal Audit Agency (GIAA) provide internal audit and advisory services to government departments and entities. GIAA develop an annual risk-based audit plan and deliver their audit programme on behalf of BTPA.

GIAA delivered eight reviews in 2023/24: these covered Workforce Planning, Health & Safety, Financial Planning & Efficiencies, Contract Management, Major Incident Planning & Response, E-expenses, Force on the Move: Estates Programme, and a follow-up review of Physical Security.

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.”* Most of the audits resulted in a moderate opinion, except the Estates Programme review, which was Limited. 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 previous years, some areas received higher levels of

assurance than others. Of particular note, Contract Management and Health and Safety had been strengthened since the last GIAA audit as these areas were found to have a strong control framework supported by effective governance arrangements.

The Internal Audit annual opinion highlighted themes from the audits whereby there were some good practices noted, improvements from the previous year but also some areas for further work.

Operational areas audited, including Health & Safety, Physical Security and Major Incidents saw improved governance and understanding of responsibilities. However, the Financial Planning & Efficiencies, Workforce Planning and Estates Programme audits indicated that clearer accountabilities and ownership were needed.

BTP's investment in technology and transformation has helped the Force with its data capture and exploitation – as found in the Workforce Planning and Health & Safety audits. The new Health & Safety management software has driven improvements in risk assessment, trend analysis and reporting. However, there is a need to maintain consistency and accuracy of management information, which the Estates Programme audit noted as a concern. The

e-Expenses review also highlighted some systems and data limitations that were being mitigated by increased assurance activity.

Risk management was a golden thread through all audits and resulted in mixed feedback. The Health & Safety risk assessments performed were a positive improvement; yet their long sign-off prevented them being used to their fullest effect. Contract management risks at the enterprise level were well managed and documented but supplier-level risks were not as consistently documented.

There remains a firm commitment from management to address themes, findings and risks identified by Internal Audit. Audit actions are tracked both at BTP's Audit, Risk, Inspection and Compliance Board and the Audit and Risk Assurance Committee.

Management Assurance Return

The Management Assurance Return (MAR) is submitted to the DfT each year to allow them to gain assurance on specific areas of governance and internal control. It is a valuable process to obtain assurance of key functions across the organisation. In assessing each functional area, other sources of assurance are reviewed and

an assessment is undertaken on a question set covering governance, control and specific risks in each area. Evidence is independently scrutinised by BTP and the Authority. In 2023/24, there are seven functional areas where the assurance rating has improved, and four areas where decreased assurance has resulted in actions.

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

Under the Railways and Transport Safety Act (2003), His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) may be appointed by the Secretary of State to independently assess the efficiency and effectiveness of BTP. During 2023/24, there was a focus on implementing recommendations from the 2022/23 Police Efficiency, Effectiveness and Legitimacy (PEEL), the Vetting and Counter Corruption and national Serious and Organised Crime thematic inspections. HMICFRS have been engaged to review the implementation of recommendations from the Vetting & Counter-Corruption inspection.

The 2023/24 work has also consisted of the development of the next three-year plan for PEEL inspection activity, likely to focus on culture and leadership, investigation, prevention and responding to the public.

HMICS

During 2023/24 BTP was consulted as an interested party in relation to HMICS (His Majesty's Inspectorate of Constabularies Scotland) Mental Health Inspection of Police Scotland. This objective of the inspection was to provide assurance around the processes and practices employed

and examine the effectiveness of the new Missing Persons Database application that was launched in recent years. The HMICS consultation identified varying practices across Scotland, with some areas having good relationships with local authority care homes and hospitals, ensuring an approach that prevents people being reported missing whilst providing a collaborative approach to finding them when they do. HMICS will seek to examine these areas of good practice to establish if processes could be effective in other areas.

HMCS has also recommended within this report that Police Scotland should take steps to provide ready access to, and encourage the use of, its interim Vulnerable Persons Database by British Transport Police colleagues in Scotland. This is a long-standing matter that BTP has been engaging with Police Scotland around.

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 (management responsibilities across three functions: management, oversight and compliance functions and independent assurance).

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 an inspection 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. This is an annual inspection and BTP demonstrated a good level of compliance.

Independent inspections of BTP custody facilities have resulted in positive feedback. The Mayor of London Office for Policing and Crime (‘MOPAC’) inspectors have requested BTP to share how they have embedded good practice and cultures around equality matters.

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 property management; health and safety to the management of assets.

Government Functional Standards

The application of Government Functional Standards was mandated for all government departments and arm's length bodies from 2021–22. As required by Government Functional Standard GovS 001: Government Functions, the Accounting Officer has appointed the Chief Financial Officer as the senior officer accountable for overseeing compliance with the functional standards. Work is ongoing on embedding compliance with the standards across the organisation.

Board Effectiveness Evaluation

BTPA Members, supported by BTPA Executive, normally conduct annual board effectiveness exercises to assure themselves that the Full Authority is meeting its statutory duties and wider strategic objectives. The focus of board effectiveness during 2022/23 was the delivery of recommendations contained in the Board Effectiveness Exercise 2022 and associated independent review by Deloitte of BTP/As Corporate Financial Governance.

The latter review led to a significant refresh of financial delegations in its Code of Governance

in summer 2023. Following this, in December 2023 BTPA has adopted Cabinet Office guidance for board effectiveness reviews (BERs) for future board effectiveness activity. The guidance recommends that 15 areas contributing to board effectiveness are reviewed. BTPA decided to review these over a three-year cycle, with a limited number being considered each year to cover all 15 areas over the three-year period. In the third year, BTPA will invite an external assessment of its board effectiveness. The next BTPA Board Effectiveness Review and Action Plan 2024 will be published in Summer 2024.

New Members in 2023/24 provided an opportunity to refresh Member inductions and onboarding. The process for Member Engagement opportunities has been simplified, with BTP Chief Officers advertising more opportunities. Feedback is cascaded back to BTPA. An Oversight Map assesses BTPA's oversight, comparing the committee workplans against organisational areas, topics and strategic risks. The review this year has resulted in Committee Workplans being updated where there were gaps in oversight and will inform future Member engagement.

Information Technology

This year has seen a continued maturity around IT transformation, and a focus around enabling new capability into BTP whilst continuing to focus on our legacy estate through the Fixing the Fundamentals programme.

The Technology Department is now sitting above 85% resourced for the first time since last year's launch of their new structure. Appointments to key leadership posts including Chief Technology Officer, Head of IT Operations, and Head of Networks have been made.

A Skills Framework for the Information Age (SFIA) review is progressing well. In 2023/24, all 68 job descriptions and job titles (where applicable) were refreshed to reflect the true scope of each role, with the inclusion of up-to-date technologies, skills, and competencies. Benchmarking against market rate is now concluding to ensure that any applicable SFIA supplements reflect market rate. These changes will be implemented over the coming months.

In February, we launched Geospatial, an innovative briefing system that has been developed as part of the iPatrol mobile app to deliver real time intelligence to users via their mobile device based

on their location. Once an officer is booked on duty, it will use their location to give real time information and briefings on-the-go to enhance intelligence-led decision making and situational awareness to create a hostile environment for criminals. The project was selected as the winner for the Digital, Technology and Data category in the iESE Public Sector Transformation Awards 2024.

The phased delivery of the Unified Communications project nears completion with the successful launch of the Justice telephony solution alongside migration of Force Control room back-up telephony. Migration of IT, the Force Contract Centre, Corporate Communications and People & Culture Service Desks was in final testing at year-end. The Microsoft Teams communication capability enabling voice calling is also being piloted within the Technology Department prior to roll-out across the organisation.

The new Data Centre location is now ready and the Technology Department has begun testing for disaster recovery, data migration and then physical relocation from the existing Force Headquarters. Whilst being a critical enabler of the move to the new London Hub in 2024/25, end of life technology is also being replaced to provide stronger business continuity and improved

disaster recovery with the reduction of down time.

The National Enabling Programme (NEP) is currently being mobilised. This will transform the way we work, collaborate, and use technology in a consistent, secure and trusted way. Roll-out is expected in 2024/25.

The Department continues to roll-out modern technical solutions across the estate whilst keeping pace with project demand as a result of 'A Force on the Move' initiatives.

Legitimacy

There is regular oversight of professionalism by management in BTP and across the Authority's committees, including the appointment of an Authority Member Lead.

The risk is primarily managed through vetting of new and existing officers and staff, communications about professional conduct and investment in modernising the culture, led by the Chief Constable. A new Counter-Corruption e-learn was launched this year and our Lawful Business Monitoring Policy was finalised.

There are many avenues for employees to report concerns of inappropriate behaviour or misconduct and an increase in the use of

these has been recorded. Conduct matters are investigated by the Professional Standards Department, and we have achieved a 95% dismissal rate for all gross misconduct cases in the financial year 2023/24 for officers and staff members who were not found to meet the required standards. BTP uphold high standards of integrity and professionalism and actively demonstrate this commitment.

Oversight and analysis of use of powers is a key priority for BTP 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; dedicated data analytical support and an array of external scrutiny structures to ensure that use of powers is effective, ethical and open to challenge. The use of these powers is governed through a strategic board. This internal scrutiny is supplemented by Independent Advisory Groups and subject-specific community and expert scrutiny panels, which act as critical friends in alerting the Force to the risks, implications and local concerns regarding the use of powers.

BTP/A have pledged a £2m investment across 2023/24 and 2024/25 in the Professional Standards Department, of which £1.1m was spent in 2023/24

to increase the investigations and counter-corruption team, demonstrating a continued commitment to building trust and legitimacy.

Vetting Procedures

The Vetting unit was awarded the ISO 9001 accreditation on 28 April 2022. We have been reaccredited in 2023/24 and are one of only two forces in the UK who continue to hold this certification for a quality management system to maintain high standards.

We have recently completed the National Police Chief's Council (NPCC) 'Historic Data Wash' in 2023 for all officers, staff and volunteers who work for BTP. This ensured everyone was put through police databases to ascertain if there were any unreported matters of note. Out of 5,267 employees checked, only a handful needed further investigation with the remainder found to be in order either not relevant or previously reported. BTP welcomed this exercise, which resulted in only three individuals being assessed for misconduct and one resulting in gross misconduct. This was a fantastic result and testament to all of our work in the legitimacy area. In October 2022 we were subject to a HMICFRS

inspection for vetting and counter corruption. At this time, we were mid-way through our improvement plans and had significantly invested in both of the teams. We have worked with the HMICFRS throughout 2023/4 to swiftly complete recommended actions and have engaged HMICFRS to validate completion of these in Autumn 2024.

Financial Controls

BTPA receive budgetary cover from the DfT 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 provided regular training to ensure these are understood. A Finance Assurance Board is held quarterly to review and provide assurance over controls.

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 the work of internal audit, the management assurance reporting and by external audit feedback in their management letter and other assurance 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 2023/24 and up to the approval date of the Annual Report.



Hugh Ind
Accounting Officer

Date 25 July 2024

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, Remuneration and Appraisal 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 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 are entitled to claim expenses for travel, accommodation and subsistence when on Authority business.

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 Church, Chief Financial Officer and Treasurer and Deputy Chief Executive | 09/04/2018 | Permanent appointment | 3 |
| Rubeela Qayyum, Chief Financial Officer and Treasurer and Deputy Chief Executive | 15/08/2022 | 14/09/2023 | 3 |

BTP Chief Officer Group

| BTP Chief Officer Group | Commencement of contract | Term expiry date | Notice period required (months) |
|--|--------------------------|-----------------------|---------------------------------|
| Lucy D'Orsi, Chief Constable | 22/03/2021 | 21/03/2025 | 6 |
| Alistair Sutherland, Deputy Chief Constable | 08/11/2021 | 09/11/2024 | 3 |
| Sean O'Callaghan, Assistant Chief Constable | 25/06/2018 | Permanent appointment | 3 |
| Tracey Martin, Director of Finance and Commercial Services | 30/07/2018 | 29/05/2023 | 3 |
| Steff Sharp, Director of Corporate Development | 19/06/2023 | 19/08/2024 | 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 |
| Paul Furnell, Assistant Chief Constable | 08/01/2024 | 07/07/2024 | 3 |
| Allan Gregory, Assistant Chief Constable | 31/03/2023 | 30/06/2024 | 3 |

Remuneration of Authority Members (Audited)

| | 2023/24 | | | | 2022/23 | | | |
|--------------------------------|---------------------|---------------------------------------|------------------|-------|---------|---------------------------------------|------------------|-------|
| | Salary ¹ | Benefits in kind (to nearest £100) | Pension Benefits | Total | Salary | Benefits in kind (to nearest £100) | Pension Benefits | Total |
| | £'000 | £ | £'000 | £'000 | £'000 | £ | £'000 | £'000 |
| Members | | | | | | | | |
| Ron Barclay-Smith ² | 45-50 | - | - | 45-50 | 30-35 | - | - | 30-35 |
| William Matthews ³ | 0-5 | - | - | 0-5 | 15-20 | - | - | 15-20 |
| Beverley Shears ⁴ | 10-15 | - | - | 10-15 | 15-20 | - | - | 15-20 |
| William Gallagher | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Martin Richards ⁵ | 0 | - | - | 0 | 10-15 | - | - | 10-15 |
| Graham Evans ⁶ | 0 | - | - | 0 | 10-15 | - | - | 10-15 |
| Kenna Kintrea | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Andrew Cooper ⁷ | 25-30 | - | - | 25-30 | 25-30 | - | - | 25-30 |
| Sir Craig Mackey | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Mike Gallop ⁸ | 0 | - | - | 0 | 10-15 | - | - | 10-15 |
| Emir Feisal ⁹ | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Nick Hawkins ¹⁰ | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Fiona Brunskill ¹¹ | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Stewart Jackson ¹² | 15-20 | - | - | 15-20 | 15-20 | - | - | 15-20 |
| Iain Whyte ¹³ | 5-10 | - | - | 5-10 | - | - | - | - |
| Abdul Elghedafi ¹⁴ | 0-5 | - | - | 0-5 | - | - | - | - |
| Dyan Perry ¹⁵ | 0-5 | - | - | 0-5 | - | - | - | - |
| Patricia Hayes ¹⁶ | 0-5 | - | - | 0-5 | - | - | - | - |
| Paula Carter ¹⁷ | 0-5 | - | - | 0-5 | - | - | - | - |
| Brian Lynch ¹⁸ | 0-5 | - | - | 0-5 | - | - | - | - |

1 Salary is shown on the accruals basis. 2022/23 was disclosed on the cash basis so has been restated.

2 Ron Barclay-Smith received additional remuneration for services provided of £11,494.67. This was calculated based on additional days worked and was agreed by the DfT. Full year equivalent (FYE) is £35-40k.

3 William Matthews left on 30/04/2023. FYE is £15-20k.

4 Beverley Shears left on 25/01/2024. FYE is £15-20k.

5 Martin Richards left 25/01/2023. FYE is £15-20k.

6 Graham Evans left 29/12/2022. FYE is £15-20k.

7 Andrew Cooper's term as Interim Deputy Chair commenced on 01/12/2020 and ended on 11/02/2024. FYE for Deputy Chair role is £25-30k. As a Member from 12/02/2024, FYE is £15-20k.

8 Mike Gallop joined on 23/02/22 and left 14/01/23.

9 Emir Feisal joined on 28/02/2022.

10 Nick Hawkins joined on 23/02/2022.

11 Fiona Brunskill joined on 23/02/2022.

12 Stewart Jackson joined on 28/02/2022.

13 Iain Whyte joined on 06/11/2023, FYE is £15-20k.

14 Abdul Elghedafi joined on 15/01/2024, FYE is £15-20k.

15 Dyan Perry joined as Deputy Chair on 12/02/2024, FYE is £25-30k.

16 Patricia Hayes joined on 15/01/2024, FYE is £15-20k.

17 Paula Carter joined on 15/01/2024, FYE is £15-20k.

18 Brian Lynch joined on 15/01/2024, FYE is £15-20k.

Remuneration of Authority Officers and Chief Officer Group (Audited)

| | 2023/24 | | | | |
|------------------------------|----------------------|-----------------------|---------------------------------------|------------------|---------|
| | Salary ¹⁹ | Compensation Payments | Benefits in kind (to nearest £100) | Pension Benefits | Total |
| | £'000 | £'000 | £ | £'000 | £'000 |
| Authority Officers | | | | | |
| Hugh Ind | 160-165 | - | - | 32 | 190-195 |
| Sarah Church ²⁰ | 75-80 | - | 2,600 | 30 | 110-115 |
| Rubeela Qayyum ²¹ | 55-60 | - | - | 11 | 65-70 |
| Chief Officer Group | | | | | |
| Lucy D'Orsi | 185-190 | - | 200 | 40 | 220-225 |
| Alistair Sutherland | 150-155 | - | 200 | - | 150-155 |
| Sean O'Callaghan | 140-145 | - | 300 | 23 | 165-170 |
| Tracey Martin ²² | 20-25 | - | - | - | 20-25 |
| Rachael Etebar | 145-150 | - | 200 | 30 | 175-180 |
| Charlie Doyle | 140-145 | - | 200 | - | 140-145 |
| Allan Gregory ²³ | 125-130 | - | 200 | 336 | 460-465 |
| Steff Sharp ²⁴ | 115-120 | - | - | 21 | 135-140 |
| Paul Furnell ²⁵ | 105-110 | - | 4,800 | - | 110-115 |

19 Salary is shown on the accruals basis. 2022/23 was disclosed on the cash basis so has been restated.

20 Sarah Church was on maternity leave for part of the year and returned on 11/09/2023. FYE is £135-140k.

21 Rubeela Qayyum joined on 15/08/2022 as maternity cover for Sarah Church until 14/09/2023. FYE is £125-130k.

22 Tracey Martin left on 29/05/2023. FYE is 135-140k.

23 Allan Gregory's temporary role as Assistant Chief Constable commenced on 2 August 2021 and ended in March 2023 at which point the posting was made permanent on 31/03/2023. FYE is £130-135k.

24 Steff Sharp's temporary role as Director of Corporate Development commenced on 19/06/2023. FYE is £125-130k.

25 Paul Furnell's temporary role as Assistant Chief Constable commenced on 08/01/2024. FYE is £120-125k.

Remuneration of Authority Officers and Chief Officer Group (Audited)

| | 2022/23 (Restated) | | | | |
|------------------------------|----------------------|-----------------------|---------------------------------------|------------------|---------|
| | Salary ²⁶ | Compensation Payments | Benefits in kind (to nearest £100) | Pension Benefits | Total |
| | £'000 | £'000 | £ | £'000 | £'000 |
| Authority Officers | | | | | |
| Hugh Ind | 150-155 | - | - | 35 | 185-190 |
| Sarah Church | 120-125 | - | 2,000 | 31 | 155-160 |
| Rubeela Qayyum ²⁷ | 70-75 | - | - | 17 | 90-95 |
| Chief Officer Group | | | | | |
| Lucy D'Orsi | 175-180 | - | 200 | 40 | 215-220 |
| Alistair Sutherland | 145-150 | - | 200 | - | 145-150 |
| Sean O'Callaghan | 135-140 | - | 200 | 27 | 160-165 |
| Tracey Martin | 130-135 | - | - | 33 | 165-170 |
| Rachael Etebar | 140-145 | - | 200 | 33 | 170-175 |
| Charlie Doyle | 130-135 | - | 200 | - | 130-135 |
| Allan Gregory | 110-115 | - | 200 | 16 | 125-130 |

²⁶ Salary is shown on the accruals basis. 2022/23 was disclosed on the cash basis so has been restated.

²⁷ Rubeela Qayyum joined on 15/08/2022 as maternity cover for Sarah Church until 14/09/2023.

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.

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, Remuneration and Appraisal Committee. The only opportunity for performance related pay progression is for Assistant Chief Constables (and staff 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.

Bonus payments

BTPA pay small bonuses of up to £500 for those who achieve an exceptional rating on their Personal Development Review or those nominated by colleagues for a "Making the Difference" award, which is judged by panels throughout the year for employees going above and beyond their duties. Firearms officers who are held on reserve receive a small nightly bonus for preparing for deployment which is included in the bonus amounts.

Fair Pay Disclosures (Audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

Percentage change in total salary and bonuses for the highest paid director and the staff average

| | 2023/24 | | 2022/23 (Restated) | |
|-----------------------|-----------------------------|----------------|-----------------------------|----------------|
| | Total salary and allowances | Bonus Payments | Total salary and allowances | Bonus Payments |
| Staff average | 7.24% | -19.15% | 6.51% | 24.88% |
| Highest paid director | 2.82% | 0% | 2.90% | 0% |

Ratio between the highest paid director's total remuneration and the lower quartile, median and upper quartile for staff pay

| | Lower quartile | Median | Upper quartile |
|---------|----------------|--------|----------------|
| 2023-24 | 5.3: 1 | 4.1: 1 | 3.4: 1 |
| 2022-23 | 5.5: 1 | 4.4: 1 | 3.5: 1 |

Lower quartile, median and upper quartile for staff pay for salaries and total pay and benefits

| | 2023/24 | | 2022/23 | | 2023/24 | | 2022/23 | |
|------------------------|----------------|--------|----------------|----------------|---------|----------------|---------|--|
| | Lower quartile | Median | Upper quartile | Lower quartile | Median | Upper quartile | | |
| Salary | 31,585 | 28,932 | 41,049 | 36,852 | 46,044 | 43,032 | | |
| Total Pay and Benefits | 34,658 | 32,390 | 44,917 | 40,105 | 53,268 | 50,066 | | |

The banded remuneration of the highest-paid director in the Department in 2023/24 was £182,500 (2022/23: £177,500). This was 4.1 times (2022/23: 4.4 times) the median remuneration of the workforce,

which was £44,917 (2022/23: £40,105). The highest paid director did not receive any bonus payments in 2023/24 or 2022/23.

In 2023/24, 0 (2022/23: 0) employees received remuneration in excess of the highest-paid director. Excluding the highest-paid director, remuneration ranged from £15,000-£20,000 to £160,000-£165,000 (2022/23: £15,000-£20,000 to £150,000-£155,000).

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.

The Authority approved a 7% pay uplift during 2023/24 for all employees, as well as increases in a number of allowances. This is the cause for the increase in quartile remuneration in 2023/24 compared to the prior year and the reduction in the ratios.

The banded remuneration of the highest paid director increased between 2022/23 and 2023/24 due to the uplift of 7% applied to all employees.

The 19.5% reduction in bonus payments relates to there being fewer than usual bonuses payments for one of the bonus types between September 2023 to December 2023.

Pension benefits

Railways pension scheme – Authority and BTP police staff

Pension benefits are provided for Authority and BTP police staff through the Railways Pension Scheme British Transport Police Shared Cost Section.

The RPS closed to new joiners on 30 September 2023. 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 paid contributions of 10.68% of pensionable pay (less 1.5 times the basic state pension) up to and including 31 March 2024. 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.

Pension benefits for new entrants are now provided via a Defined Contribution pension scheme which offers a range of contribution rates.

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 $\frac{1}{45}$ th of final average salary (less $\frac{1}{30}$ th of final average basic state pension) for each year of beneficial membership. In addition, a lump sum equivalent to $\frac{1}{30}$ th 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 $\frac{1}{70}$ th of final average salary for each year of service. In addition, a lump sum equivalent to $\frac{4}{70}$ th 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

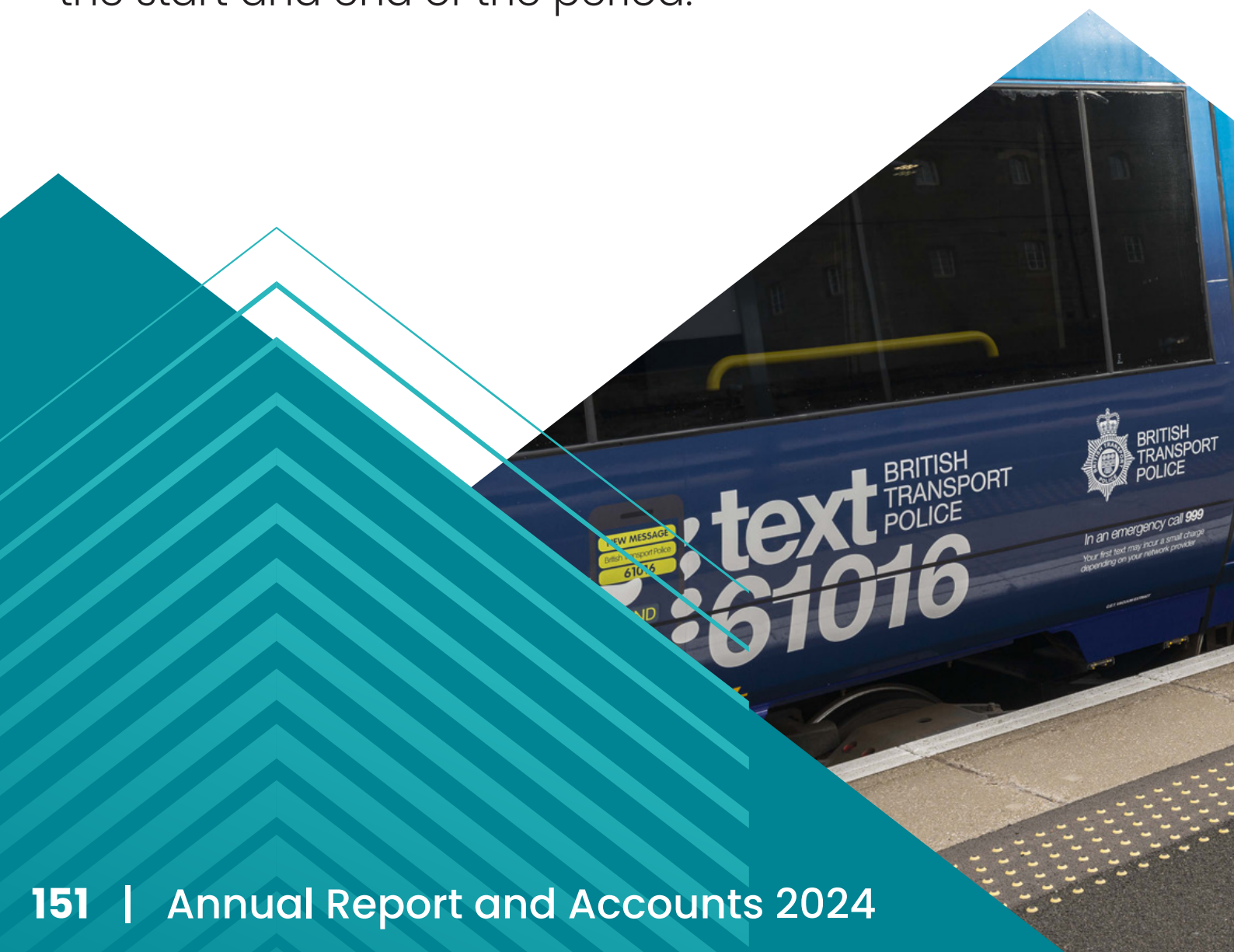
A Cash Equivalent Transfer Value ("CETV") is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension from the scheme. A CETV is a payment made 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.

Real increase in CETV, this reflects the increase in CETV that is funded by the employer. It does not include 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 and uses common market valuation factors for the start and end of the period.



Pension Benefits (Audited)

| Officials | Accrued values at pension age as at 31/03/24 | | Real increase values at pension age | | CETV at 31/03/23 | CETV at 31/03/24 | 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 | 10-15 | 10-15 | 0-2.5 | 2.5-5.0 | 122 | 151 | 5 |
| Sarah Church | 10-15 | 10-15 | 0-2.5 | 2.5-5.0 | 75 | 84 | - |
| Rubeela Qayyum | 0-5 | 0-5 | 0-2.5 | 0-2.5 | 10 | 16 | - |
| Chief Officer Group | | | | | | | |
| Sean O'Callaghan | 10-15 | 10-15 | 0-2.5 | 2.5-5.0 | 127 | 148 | - |
| Rachael Etebar | 10-15 | 10-15 | 0-2.5 | 2.5-5.0 | 172 | 209 | 11 |
| Tracey Martin | 5-10 | 10-15 | 0-2.5 | 0-2.5 | 121 | 114 | - |
| Allan Gregory (restated) | 70-75 | 95-100 | 15-17.5 | 2.5-5.0 | 1,240 | 1,261 | - |
| Lucy D'Orsi | 5-10 | 5-10 | 2.5-5.0 | 2.5-5.0 | 46 | 81 | 14 |
| Steff Sharp | 15-20 | 30-35 | 0-2.5 | 0-2.5 | 95 | 96 | - |
| Charlie Doyle | Opted out of scheme | | | | | | |
| Alistair Sutherland | Opted out of scheme | | | | | | |
| Paul Furnell | Opted out of scheme | | | | | | |





Staff report

Total average number of persons employed (Audited):

| | 2023/24 | 2022/23 |
|-----------------------------|--------------|--------------|
| Permanently employed staff* | 4,900 | 4,840 |
| Temporary Staff** | 134 | 119 |
| Special Constables*** | 248 | 265 |
| Total | 5,282 | 5,224 |

Average staff numbers are based on headcount and terms of employment.

Staff turnover fell in 2023/24 with a rate of 9.55% (2022/23: 13.58%).

* 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):

| | 2023/24 | | | 2022/23 |
|---|----------------------------|--------------|----------------|----------------|
| | Permanently employed staff | Other staff | Total | Total |
| | £'000 | £'000 | £'000 | £'000 |
| Salaries and wages | 236,870 | 1,266 | 238,136 | 219,495 |
| Social security costs | 23,555 | - | 23,555 | 22,863 |
| Other pension costs | 45,610 | - | 45,610 | 109,149 |
| Sub-total | 306,035 | 1,266 | 307,301 | 351,507 |
| Less recoveries in respect of outward secondments | (952) | - | (952) | (1,136) |
| Total net costs | 305,083 | 1,266 | 306,349 | 350,371 |

Total expenditure on consultancy for 2023/24 is £965,322 (2022/23: £1,167,137). Included in these are £42,222 capitalised consultancy costs in 2023/24 (2022/23: £10,318).

Total expenditure on temporary staff for 2023/24 is £1,265,880 (2022/23: £1,459,769).

Reporting of civil service and other compensation claims – exit packages (Audited)

| Exit package cost band | Number of compulsory redundancies | | Number of other departures agreed | | Total number of exit packages by cost band | |
|---------------------------------|-----------------------------------|---------|-----------------------------------|---------|--|---------|
| | 2023/24 | 2022/23 | 2023/24 | 2022/23 | 2023/24 | 2022/23 |
| £0-£25,000 | 14 | 16 | 1 | 4 | 15 | 20 |
| £25,001-£50,000 | - | 1 | - | - | - | 1 |
| £50,001-£100,000 | - | - | - | 1 | - | 1 |
| £100,000-£150,000 | - | - | - | - | - | - |
| £150,000+ | - | - | - | - | - | - |
| Total number of exit packages | 14 | 17 | 1 | 5 | 15 | 22 |
| Total value of packages (£'000) | 128 | 143 | 12 | 88 | 140 | 231 |

Employee composition

Number of persons of each gender who were employees of the entity as at 31 March 2024:

| | 2023/24 | | | 2022/23 | | |
|--|---------|--------|-------|---------|--------|-------|
| | Male | Female | Total | Male | Female | Total |
| Authority Members | 10 | 5 | 15 | 8 | 3 | 11 |
| Authority Officers and Strategic Command | 6 | 4 | 10 | 5 | 5 | 10 |
| Remaining staff | 3,521 | 1,737 | 5,258 | 3,562 | 1,691 | 5,253 |
| Total | 3,537 | 1,746 | 5,283 | 3,575 | 1,699 | 5,274 |

Average Sickness Absence Days Per Person 2023-24

For 2023/24 BTP average sick duty days per full time equivalent person reduced by 0.21 days to an average of 8.48 (2022/23: 8.69). There was a marginal increase in sick days per Police Officer since 2022/23, offset by reductions in sick days for Staff and PCSOs. 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) the British Transport Police had 12 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 11, 0.0189% of BTP's total pay bill of £235,961,070k 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 2024, earning £245 per day or greater:

| | 2023/24 | 2022/23 |
|--|---------|---------|
| Number of existing engagements as of 31 March 2023 | 4 | 8 |
| Of which, number that existed: | | |
| less than 1 year at the reporting date | 3 | 7 |
| between 1 and 2 years at the reporting date | 0 | 0 |
| between 2 and 3 years at the reporting date | 0 | 1 |
| between 3 and 4 years at the reporting date | 1 | 0 |
| more than 4 years at the reporting date | 0 | 0 |

All highly paid off-payroll workers engaged at any point during the year ending 31 March 2024, earning £245 per day or greater.

| | 2023/24 | 2022/23 |
|---|---------|---------|
| Number of temporary off-payroll workers engaged during the year ended 31 March 2024 | 10 | 18 |
| Not subject to off-payroll legislation | 8 | 14 |
| Subject to off-payroll legislation and determined as in-scope of IR35 | 2 | 4 |
| Subject to off-payroll legislation and determined as out-of-scope of IR35 | 0 | 0 |
| Number of engagements reassessed for compliance or assurance purposes during the year | 0 | 0 |
| Of which: Number of engagements that saw a change to IR35 status following review | 0 | 0 |

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024.

| | 2023/24 | 2022/23 |
|--|---------|---------|
| Total number 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 | 10 |
| Number of off-Payroll engagements of board members, and/or, senior officials with significant financial responsibility during the financial year | 0 | 0 |

Engagement with employees

The following staff associations are recognised by BTP:

- British Transport Police Federation
- BTP Branch of the Superintendents' Association
- Transport Salaried Staff Association

The following support groups operate in BTP:

- Disability and Neurodiversity Network
- 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)
- Support Association for Minority Ethnic staff
- The Hindu Police Association
- The Sikh Association

Disability management

The British Transport Police welcomes applicants who have a disability and the recruitment team work in consultancy with the Inclusion and Diversity Team, where appropriate, to support inclusive interviews for candidates with a disability.

BTP also has a process in place to facilitate consultation with the Occupational Health Department for all medical and health conditions to ensure that all appropriate reasonable adjustments and support are considered on a case-by-case basis.

BTP has established a disability and neurodiversity steering group with key stakeholders, chaired at Assistant Chief Constable level, to work through the processes required to ensure workplace adjustments and provisions are put in place to support employees, using the social model of disability and neurodiversity. This includes the launch of the workplace adjustments passport which offers holistic support for all non-medical conditions which require adjustments. The Inclusion and Diversity team regularly holds events, webinars and information sessions to support this work in raising awareness of

disability and neurodiversity topics and themes, with planned training for senior leaders and line managers.



Hugh Ind
Accounting Officer

Date 25 July 2024



PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

Regularity of expenditure:

Losses and Special payments (audited)

| | 2023/24 | 2022/23 |
|---|------------|----------|
| Total number of losses and special payments | 214 | 214 |
| Total value of losses and special payments | £1,629,980 | £979,929 |
| Losses statement | | |
| Number of losses | 96 | 104 |
| Value of losses | £38,751 | £75,102 |
| Special payments statement | | |
| Number of special payments | 118 | 110 |
| Value of special payments | £1,591,229 | £904,827 |

Losses

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

Special payments

A total of £1,536,013 (2022/23: £822,634) was paid to settle legal claims related to motor vehicles, employer liability, public liability as well as the historic Stockwell Six and Oval Four cases. The above amounts include legal fees. There was no individual payment in excess of £300,000.

All exit packages payments have been disclosed within the Remuneration report.

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 2024 under the Railways and Transport Safety Act 2003.

The financial statements comprise the British Transport Police Fund's:

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted

international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Transport Police Fund's affairs as at 31 March 2024 and its net deficit (total before OCI) for the year then ended; and
- 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. 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 2019*. I am independent of the British Transport Police Fund in accordance with the ethical requirements that are relevant to my audit of 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

In auditing the financial statements, I have concluded that the British Transport Police Fund's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Transport Police Fund's ability to continue as a going concern for a period of at least twelve

months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the British Transport Police Fund is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Railways and Transport Safety Act 2003.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions

issued under the Railways and Transport Safety Act 2003;

- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

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 material misstatements in the Performance and Accountability Reports.

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 by the British Transport Police Fund or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not

in agreement with the accounting records and returns; or

- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Authority and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Transport Police Fund

from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with Secretary of State directions issued under the Railways and Transport Safety Act 2003;
- preparing the annual report, which includes the Remuneration Report, in accordance with Secretary of State directions issued under the Railways and Transport Safety Act 2003; and
- assessing the British Transport Police Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the British Transport Police Fund will not continue to be provided in the future.

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.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Transport Police Fund's accounting policies.
- inquired of management, the British Transport Police Fund's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Transport Police Fund's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Transport Police Fund's controls relating to the British Transport Police Fund's compliance with the Railways and Transport Safety Act 2003 and

Managing Public Money

- inquired of management, the British Transport Police Fund's Head of Internal Audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Transport Police Fund for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Transport Police Fund's framework of authority and other legal and regulatory frameworks in which the British Transport Police Fund operates.

I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Transport Police Fund. The key laws and regulations I considered in this context included the Railways and Transport Safety Act 2003, Managing Public Money, and relevant employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the

appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income 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.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Date 25 July 2024

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP





FINANCIAL REPORT



Statement of comprehensive income For the year ended 31 March 2024

| | Note | 31 March 2024 £'000 | 31 March 2023 £'000 |
|--|------|------------------------|------------------------|
| Income | | | |
| Police Service Agreement | 6 | 263,564 | 249,167 |
| Other Income | 6 | 104,687 | 101,495 |
| | | 368,251 | 350,662 |
| Expenditure | | | |
| Staff costs | 7 | (306,349) | (350,371) |
| Depreciation and amortisation | 8 | (25,321) | (29,181) |
| Other expenditure | 8 | (68,629) | (54,086) |
| | | (400,299) | (433,638) |
| Operating deficit | | (32,048) | (82,976) |
| Net interest receivable | | 934 | 279 |
| Net interest payable for pension schemes | 23 | (1,720) | (23,420) |
| Finance expense | 8 | (515) | (1,082) |
| Gain on modification of lease | | – | – |
| Net deficit for the financial year | | (33,349) | (107,199) |
| Other comprehensive income | | | |
| Items that will not be reclassified: | | | |
| Net gain/(loss) on revaluation of non-current assets | 22 | 1,583 | 7,673 |
| Actuarial gains/(losses) on defined benefit pension schemes | 22 | 50,920 | 968,480 |
| | | 52,503 | 976,153 |
| Total comprehensive surplus/ (deficit) for the year ended 31 March 2024 | | 19,154 | 868,954 |

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 2024

| | Note | 31 March 2024 £'000 | 31 March 2023 £'000 |
|---|-------|------------------------|------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 9 | 89,643 | 96,205 |
| Intangible assets | 10 | 1,596 | 2,105 |
| Other receivables | 13 | 6 | - |
| Total non-current assets | | 91,245 | 98,310 |
| Current assets | | | |
| Inventories | 12 | 57 | 114 |
| Trade and other receivables | 13 | 19,569 | 16,504 |
| Cash and cash equivalents | 14 | 50,435 | 49,812 |
| Total current assets | | 70,061 | 66,430 |
| Total assets | | 161,306 | 164,740 |
| Current liabilities¹ | | | |
| Trade and other payables | 15 | (63,788) | (57,451) |
| Provisions for liabilities and charges | 16 | (8,054) | (7,925) |
| Lease liabilities | 15 | (4,447) | - |
| Total current liabilities | | (76,289) | (65,376) |
| Non-current assets plus net current assets | | 85,017 | 99,364 |
| Non-current liabilities¹ | | | |
| Pension liabilities | 23 | (16,109) | (49,419) |
| Other payables | 15 | - | (25,709) |
| Lease liabilities | 15 | (22,108) | - |
| Total non-current liabilities | | (38,217) | (75,128) |
| Assets less liabilities | | 46,800 | 24,236 |
| Taxpayers' net (deficit) | | | |
| Income and expenditure reserve | 22 | 44,942 | 57,271 |
| Revaluation reserve | 22 | 17,967 | 16,384 |
| Pension reserve | 22,23 | (16,109) | (49,419) |
| | | 46,800 | 24,236 |

¹ Lease liabilities are now disclosed separately from trade and other payables. In 2022/23 the other payables entirely related to lease liabilities.

The financial statements on pages 97-140 were approved by the Authority on 25/07/2024 and were signed on its behalf by:



Hugh Ind
Accounting Officer
Date 25 July 2024

Statement of changes in taxpayers' equity For the year ended 31 March 2024

| | Note | Income and expenditure reserve | Revaluation reserve | Pension reserve | Total reserves |
|---|---------|--------------------------------|---------------------|-----------------|----------------|
| | | £'000 | £'000 | £'000 | £'000 |
| Balance at 01 April 2022 | | 57,240 | 8,753 | (912,506) | (846,513) |
| Changes in taxpayers' equity 2022/23 | | | | | |
| Net gain/(loss) on revaluation of property, plant and equipment and intangible assets | 9,10,22 | - | 8,689 | - | 8,689 |
| Actuarial Gains/(Losses) | 22 | - | - | 968,480 | 968,480 |
| Net deficit for the year | 22 | (107,199) | - | - | (107,199) |
| Reclassification | 22 | (521) | (42) | - | (563) |
| Transfer to/from Reserves | 23 | 106,409 | (1,016) | (105,393) | - |
| DfT Grant funding recognised | | 1,342 | - | - | 1,342 |
| Balance at 31 March 2023 | | 57,271 | 16,384 | (49,419) | 24,236 |
| Changes in taxpayers' equity 2023/24 | | | | | |
| IFRS 16 adjustments after transition | 22 | - | - | - | - |
| Net gain/(loss) on revaluation of property, plant and equipment and intangible assets | 9,10,22 | - | 4,112 | - | 4,112 |
| Actuarial Gains/(Losses) | 22 | - | - | 50,920 | 50,920 |
| Net deficit for the year | 22 | (33,349) | - | - | (33,349) |
| Reclassification | 22 | (1,219) | - | - | (1,219) |
| Transfer to/from Reserves | 23 | 20,139 | (2,529) | (17,610) | - |
| DfT Grant funding recognised ² | 22 | 2,100 | - | - | 2,100 |
| Balance at 31 March 2024 | | 44,942 | 17,967 | (16,109) | 46,800 |

² This is grant in aid provided funding by DfT (controlling party) for Operation Overhand.

Statement of cash flows

For the year ended 31 March 2024

| | | 2023/24 | 2022/23 Restated |
|--|------|-----------------|------------------|
| | Note | £'000 | £'000 |
| Cash flows from operating activities³ | | | |
| Operating deficit | | (32,048) | (82,976) |
| Less non-cash adjustments | | | |
| (Profit)/Loss on disposal of non-current assets | 8 | 164 | (32) |
| (Increase)/Decrease in trade and other receivables | 13 | (3,065) | (5,987) |
| (Increase)/Decrease in inventories | 12 | 57 | 261 |
| Increase/(Decrease) in trade and other payables falling due within one year | 15 | 15,072 | 13,220 |
| Increase/(Decrease) in trade and other payables due after more than one year | 15 | (3,601) | 199 |
| Increase/(Decrease) in provisions | 16 | 129 | 573 |
| Depreciation of property, plant and equipment | 9 | 19,556 | 15,813 |
| Depreciation of right-of-use assets | 9 | 4,998 | 12,442 |
| Amortisation of intangible assets | 10 | 767 | 926 |
| IAS 19 Pension adjustment | 23 | 15,890 | 81,970 |
| Derecognition of assets under construction | 9,10 | 136 | 1,102 |
| Derecognition of right of use asset | 9 | – | 259 |
| Movements in seized cash and other funds going to reserves | | (1,221) | (579) |
| Net cash flow from operating activities | | 16,834 | 37,191 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 9 | (14,462) | (30,197) |
| Purchase of intangible assets | 10 | (143) | (297) |
| Proceeds from disposal of assets | | 163 | 203 |
| Interest paid/(received) | | – | – |
| Net cash flow from investing activities | | (14,442) | (30,291) |
| Cash flows from financing activities | | | |
| Capital repayment of right-of-use liabilities | 19 | (4,803) | (12,040) |
| Grant funding received | | 2,100 | 1,342 |
| Interest received | | 934 | 279 |
| Net cash flows from financing activities | | (1,769) | (10,419) |
| Net increase/(decrease) in cash and cash equivalents in the period | | 623 | (3,519) |
| Cash and cash equivalents at the beginning of the period | | 49,812 | 53,331 |
| Cash and cash equivalents at the end of the period | | 50,435 | 49,812 |

³ In 2022/23 the net deficit was disclosed, this has been restated to operating deficit. The restatement also includes the removal of non-operating expenditure in 2022/23. Therefore, the comparative for 2023/24 has changed.

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 2023/24 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply UK adopted International Financial Reporting Standards 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 2023/24 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 in certain financial years 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 Police 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 Accounting standards issued but not yet adopted

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. HM Treasury are consulting on the public sector interpretation of this Standard for FReM bodies. Implementation is expected to be from 2025/26. Management have performed a preliminary review of this standard and expect no impact to the Authority since none of BTP's contracts would meet the definition of insurance contracts under IFRS 17.

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). The effective date of the revaluation was 31st March 2024, there has been no independent valuer involved.

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.

HM Treasury expect to make changes to the valuation basis for non-investments assets in 2025/26. The asset classes that are likely to be

affected by the proposed measurement changes are Intangible Assets and Property, Plant and Equipment (except Right-of-Use assets).

2.5 Assets under construction

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

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 – 2-5 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 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.

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 set 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. Charges are recognised evenly over the annual financial year, and payment occurs in 13 equal installments. Any excess income is moved to deferred income and drawn down when required. Under the Act BTPA is entitled to defray the cost of the Force including any deficit incurred. Should a deficit occur, BTPA will assess whether it will be recovered through future year PSA charges in the following year. If agreed an accrued income balance will be held until funds are collected. The same methodology applies if an underspend occurs and a refund is approved.

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. EPSA holders are charged actual cost for the services provided each period. The treatment of EPSA does not give rise to any assets or liabilities.

London Underground (TfL) charges are invoiced in advance over 13 periods within the financial year, each period an accrual is raised to cover any shortfalls and to ensure that the income is recorded

in the period the service is supplied. BTPA negotiate to recover any shortfall/return the excess through a 'wash up' process which usually takes place during the subsequent financial year at which point accrued income is held until the funds are received.

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 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 3.51% for the full calendar year 2023, which has been applied by BTP for leases that commence or are remeasured prior to January 2024 and in the 2023 calendar year. The discount rate issued by the HM Treasury is 4.72% for the full calendar year 2024. For leases that commenced or were remeasured prior to January 2023 had the applicable HM Treasury discount rate issued for that year applied.

The Authority has a number of leases in respect of property that do not come under the scope of IFRS16. These leases are either considered short-term or where an identified asset cannot be evidenced. Rentals under these leases are charged to the SoCI in the period in which they are incurred. The total rental charges for 2023/24 was £4.2m.

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 be recharged out correctly.

Where applicable, impairment is reflected on the basis of expected credit loss allowances for trade receivables and similar arrangements which are measured at an amount equal to a 12-month expected credit losses and recognised where material.

BTP does not have any loans to external borrowers.

Credit loss allowances are recognised where

material. BTP considers that none of its debts have significantly increased in credit risk in 2023/24 and that there is no lifetime expected credit loss calculated for the year.

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.

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.

The current service cost is the expected cost of benefits accrued in the year following the valuation date. This is calculated using the expected benefits accrued over the year, and considering the expected payments made in relation to this benefit. This takes account of any expected salary and pension increases. The cost is the amount needed at the valuation date, such that after receiving

expected interest, the payments are covered. 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. Pension benefits are provided for Authority and BTP support staff through the Railways Pension Scheme British Transport Police Shared Cost Section (RPS). 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. Whilst it is a shared cost pension arrangement the Authority choose to account for assets and liabilities in full. Pension benefits are provided for Police Officers through the British Transport Police Force Superannuation Fund (BTPFSF). Please refer to the Pension Benefits section in the Remuneration report for more details.

The RPS had a surplus of £9.52m in accordance with the interpretation of IAS 19 (IFRIC 14). IAS 19 requires the asset ceiling test to be conducted to calculate the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. IFRIC 14 states this can be recognised if the entity can realise it at some point during the life plan or when the plan liabilities are settled. In particular, such an economic benefit may be available even if it is not realised immediately at the end of the reporting period. BTPA are recognising the surplus in full as gradual settlement can be controlled, i.e. the trustees do not

have the unilateral powers to wind the section up. The BTPFSF is not reporting a surplus.

BTPA launched a new defined contribution pension scheme in October 2023, this is administered by Royal London. This has been accounted for under IAS 19 Employee Benefits, whereby the reporting entity's obligation is determined by the amounts contributed for that period. This is recognised as a liability (note 15), within the Statement of Financial Position, and an expense (note 7), within the Statement of Comprehensive Income. Further details are provided in note 24.

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 and government grants

Grant in aid received from DfT is recognised on a cash basis through the statement of changes in taxpayers equity (SoCTE) 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 FReM.

Government grants received from other government departments where certain conditions relating to the operating activities are met are recognised in accordance with IAS 20. The grant is not recognised until there is reasonable assurance that BTP will comply with the conditions attaching to it, and that the grant will be received. The grant is held as a liability until the conditions are met, within other payables in note 15. When the conditions are met they are recognised as other income in note 6. As at the reporting date £371k government grants were held as a liability as they have unfulfilled conditions, which are expected to be met in the next year.

3. Critical accounting judgements

In applying the accounting policies set out above, the Authority have identified IAS19 as a critical accounting judgement. Whilst the IAS19 valuation of the pension schemes is noted below as a key source of estimation uncertainty, the choice of assumptions and the consideration of economic conditions also includes a level of judgement. The impact of this judgement feed into material elements of both the statement of comprehensive income and the statement of financial position.

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. See further detail in the footnotes of note 9;
- 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;
- Provisions – as a result of future outcome of litigation, cases, disputes, and other rent reviews.

See Note 16 for further details on the impact of estimation inputs.

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.

| | 2023/24 | 2022/23 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Divisions | | |
| B Division | 81,700 | 78,826 |
| C Division | 47,575 | 45,169 |
| D Division | 10,937 | 10,128 |
| Remaining overheads | 260,087 | 299,515 |
| Total expenditure before finance expenses | 400,299 | 433,638 |

6. Income

| | 2023/24 | 2022/23 |
|--|---------|---------|
| | £'000 | £'000 |
| Police Service Agreement income | 263,564 | 249,167 |
| Other income | | |
| London Underground Agreement income | 77,964 | 75,827 |
| Enhanced Police Service Agreement income | 14,574 | 14,383 |
| Smaller funding agreements | 4,115 | 3,253 |
| Other income | 7,475 | 6,892 |
| Capital funding | 559 | 1,140 |
| Sub-total | 104,687 | 101,495 |
| Total | 368,251 | 350,662 |

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:

6.1 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.

6.2 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.

6.3 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.

6.4 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. Those funds received from government organisations and TOCs are classed as "other income". Within this figure is income received from the Home Office Asset Recovery Incentivisation Scheme (ARIS) which distributes a portion of recoveries of proceeds of crime under the Proceeds of Crime Act (POCA) to BTP in cases where it was the investigation authority. This funding is recognised, in line with IFRS15, as performance obligations are met. Funds received from organisations external to government are classed as "smaller funding agreements". Funds received from government departments for the purpose of funding capital projects are classed as "capital funding".

7. Staff numbers and related costs

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

| | 2023/24 | | | 2022/23 |
|---|-------------------------------------|----------------------|----------------|----------------|
| | Permanently employed staff £'000 | Other staff £'000 | Total £'000 | Total £'000 |
| Total staff costs consist of: | | | | |
| Salaries and wages | 236,870 | 1,266 | 238,136 | 219,495 |
| Social security costs | 23,555 | - | 23,555 | 22,863 |
| Other pension costs ¹ | 45,610 | - | 45,610 | 109,149 |
| Sub-total | 306,035 | 1,266 | 307,301 | 351,507 |
| Less recoveries in respect of outward secondments | (952) | - | (952) | (1,136) |
| Total net costs | 305,083 | 1,266 | 306,349 | 350,371 |

¹ Other pension costs have decreased as a result of the IAS19 pension current service cost and the contributions by employers adjustment, valued at £15.89m (£81.97m in 2022/23). The remainder of the pension costs consist of pension scheme contributions and deficit payments of £29.72m (£27.18m in 2022/23).

8. Other expenditure

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

| | | 2023/24 | 2022/23 |
|---|------|---------------|---------------|
| | Note | £'000 | £'000 |
| Staff related costs | | 4,095 | 4,812 |
| Communications and computers | | 20,071 | 18,404 |
| Operational expenses | | 3,909 | 2,525 |
| Administrative expenses | | 2,348 | 2,940 |
| Professional services | | 2,977 | 3,442 |
| Legal and Insurance | | 2,413 | 1,105 |
| Equipment purchases | | 2,848 | 2,908 |
| Rentals under operating leases ¹ | | 5,083 | (2,506) |
| Premises (excluding rentals under operating leases) | | 16,292 | 13,343 |
| Transport costs | | 8,339 | 7,125 |
| Other | | 254 | (12) |
| Other expenditure | | 68,629 | 54,086 |
| Depreciation of property, plant and equipment | 9 | 19,556 | 15,813 |
| Depreciation of right-of-use assets ² | 9 | 4,998 | 12,442 |
| Amortisation of intangible assets | 10 | 767 | 926 |
| Depreciation and amortisation | | 25,321 | 29,181 |
| Finance expense | | 515 | 1,082 |
| Total | | 94,465 | 84,349 |

¹ Rental under operating leases have increased by £7.6m and depreciation on right of use assets has decreased by £7.4m. This is due to, in the 2022/23 financial year, we reassessed all leases against IFRS16 criteria which led to a number of leases being reassessed as in scope of IFRS16 and vice versa. Within the figures for financial year 2022/23 are backdated rent payments and depreciation for leases commencing prior to 1 April 2022. The majority of the adjustment in 2022/23 financial year was due to the change in scope for the lease for Camden Headquarters.

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 £165k for auditor's remuneration for audit work related to 2023/24 (2022/23: £144k).

9. Property, plant and equipment

| | Leasehold improvements | Plant and machinery | Motor Vehicles | Assets under construction – Motor Vehicles | Assets under construction – Other | Right-of-Use Assets | Fixtures and fittings | IT equipment | Total |
|--|------------------------|---------------------|----------------|--|-----------------------------------|---------------------|-----------------------|---------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | | | | |
| As at 1 April 2023 | 61,384 | 18,732 | 18,748 | 5,491 | 2,976 | 53,755 | 4,111 | 67,932 | 233,129 |
| Additions | 340 | 702 | 558 | 3,029 | 5,954 | 171 | 59 | 3,260 | 14,073 |
| Changes in assumptions ¹ | – | – | – | – | – | 389 | – | – | 389 |
| Disposals | (1,352) | (5) | (1,708) | – | – | – | – | (57) | (3,122) |
| Derecognition | – | – | – | – | (136) | – | – | – | (136) |
| Revaluations | 2,031 | 111 | 438 | – | – | – | 35 | 1,383 | 3,998 |
| Reclassifications | 775 | 249 | 3,970 | (3,970) | (2,485) | – | 16 | 1,445 | – |
| As at 31 March 2024 | 63,178 | 19,789 | 22,006 | 4,550 | 6,309 | 54,315 | 4,221 | 73,963 | 248,331 |
| Depreciation | | | | | | | | | |
| As at 1 April 2023 | 35,618 | 17,264 | 11,304 | – | – | 24,471 | 3,552 | 44,715 | 136,924 |
| Charged in year | 4,625 | 736 | 3,212 | – | – | 4,998 | 199 | 8,722 | 22,492 |
| Disposals | (1,157) | (5) | (1,587) | – | – | – | – | (41) | (2,790) |
| Derecognition | – | – | – | – | – | – | – | – | – |
| Revaluations | 726 | 127 | 322 | – | – | – | 30 | 857 | 2,062 |
| Reclassifications | – | – | – | – | – | – | – | – | – |
| As at 31 March 2024 | 39,812 | 18,122 | 13,251 | – | – | 29,469 | 3,781 | 54,253 | 158,688 |
| Carrying amount as at 31 March 2024 | 23,366 | 1,667 | 8,755 | 4,550 | 6,309 | 24,846 | 440 | 19,710 | 89,643 |

With the exception of right of use assets which reflect the benefits arising under leases held by BTP, all assets are owned.

¹ For Right of Use assets only. The total £389k relates to lease renewals £178k, holding over leases £30k, rent uplifts £103k, stamp duty land tax £76k and adjustments £2k.

9. Property, plant and equipment

| | Leasehold improvements | Plant and machinery | Motor Vehicles | Assets under construction – Motor Vehicles | Assets under construction – Other | Right-of-Use Assets ¹ | Fixtures and fittings | IT equipment | Total |
|--|------------------------|---------------------|----------------|--|-----------------------------------|----------------------------------|-----------------------|---------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | | | | |
| As at 1 April 2022 | 52,323 | 17,923 | 17,008 | 2,788 | 5,887 | 40,313 | 4,000 | 58,360 | 198,602 |
| Additions ² | 1,131 | 478 | 765 | 5,180 | 2,727 | 13,701 | 23 | 6,192 | 30,197 |
| Disposals ² | (66) | (17) | (2,017) | – | – | (259) | – | (510) | (2,869) |
| Derecognition | – | – | – | (445) | (657) | – | – | (67) | (1,169) |
| Revaluations ³ | 4,227 | 250 | 960 | – | – | – | 78 | 2,853 | 8,368 |
| Reclassifications | 3,769 | 98 | 2,032 | (2,032) | (4,981) | – | 10 | 1,104 | – |
| As at 31 March 2023 | 61,384 | 18,732 | 18,748 | 5,491 | 2,976 | 53,755 | 4,111 | 67,932 | 233,129 |
| Depreciation | | | | | | | | | |
| As at 1 April 2022 | 31,129 | 16,485 | 10,591 | – | – | 12,029 | 3,362 | 37,589 | 111,185 |
| Charged in year ⁴ | 4,168 | 700 | 2,464 | – | – | 12,624 | 178 | 7,283 | 27,417 |
| Disposals ⁴ | (65) | (17) | (1,913) | – | – | (182) | (6) | (511) | (2,694) |
| Derecognition | – | – | – | – | – | – | – | (4) | (4) |
| Revaluations | 386 | 96 | 162 | – | – | – | 18 | 358 | 1,020 |
| Reclassifications | – | – | – | – | – | – | – | – | – |
| As at 31 March 2023 | 35,618 | 17,264 | 11,304 | – | – | 24,471 | 3,552 | 44,715 | 136,924 |
| Carrying amount as at 31 March 2023 | 25,766 | 1,468 | 7,444 | 5,491 | 2,976 | 29,284 | 559 | 23,217 | 96,205 |

With the exception of right of use assets which reflect the benefits arising under leases held by BTP, all assets are owned.

- At the end of 2022/23 a lease reassessment exercise for all ongoing leases to determine the IFRS16 status was undertaken, resulting in 20 changes to the previous scoping. For those leases which commenced prior to 1 April 2022, the adjustments for previous years asset, liabilities, interest, depreciation and rent payments have been accounted for in this financial year.
- Included within the Right-of-Use Asset additions of £13.7m is £13.6m of additions due to reassessment of 17 leases as in scope of IFRS16, with the remaining £0.1m relating to standard additions in the 2023 financial year. The disposals of £0.3m relate to 3 leases which were reassessed as out of scope.
- The revaluation of property, plant and equipment is based on the published CPI (Consumer Price Index) data. We performed sensitivity analysis which assessed the impact of a 1% change of the CPI percentage. If the CPI percentage increased by 1% the reported fair value of property, plant and equipment would increase by £1.1m. There would also be a £1.1m decrease in the reported fair value of property, plant and equipment if the CPI percentage decreased by 1%.
- Included within the Right-of-Use Asset depreciation charged in the year of £12.6m is £6.6m backdated depreciation for the leases which were reassessed as in scope and commenced prior to 1 April 2022; the remaining £6m relates to standard depreciation charges for the current financial year. The depreciation disposal of £0.2m are the 3 leases which were reassessed as out of scope.

10. Intangible assets

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

| | Licences | Software | Wide area network | Websites | Assets under construction | Total |
|--|--------------|---------------|-------------------|------------|---------------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | |
| As at 1 April 2023 | 8,015 | 14,991 | 4,251 | 348 | 12 | 27,617 |
| Additions | 11 | 37 | – | – | 95 | 143 |
| Derecognition | – | – | – | – | – | – |
| Revaluations ¹ | 43 | 72 | – | – | – | 115 |
| Reclassifications | – | 4 | – | – | (4) | – |
| As at 31 March 2024 | 8,069 | 15,104 | 4,251 | 348 | 103 | 27,875 |
| Amortisation | | | | | | |
| As at 1 April 2023 | 7,167 | 13,747 | 4,250 | 348 | – | 25,512 |
| Charged in year | 355 | 412 | – | – | – | 767 |
| Derecognition | – | – | – | – | – | – |
| Revaluations | – | – | – | – | – | – |
| Reclassifications | – | – | – | – | – | – |
| As at 31 March 2024 | 7,522 | 14,159 | 4,250 | 348 | – | 26,279 |
| Carrying amount as at 31 March 2024 | 547 | 945 | 1 | – | 103 | 1,596 |

With the exception of right of use assets which reflect the benefits arising under leases held by BTP, all assets are owned.

¹ The revaluation of Intangible Assets is based on the published CPI (Consumer Price Index) data. We performed sensitivity analysis which assessed the impact of a 1% change of the CPI percentage. If the CPI percentage increased by 1% the reported fair value of Intangible Assets would increase by £30k. There would also be a £30k decrease in the reported fair value of Intangible Assets if the CPI percentage decreased by 1%.

| | Licences | Software | Wide area network | Websites | Assets under construction | Total |
|--|--------------|---------------|-------------------|------------|---------------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | |
| As at 1 April 2022 | 7,547 | 14,782 | 4,251 | 348 | 67 | 26,995 |
| Additions | 275 | 16 | – | – | 6 | 297 |
| Derecognition | – | – | – | – | – | – |
| Revaluations | 148 | 177 | – | – | – | 325 |
| Reclassifications | 45 | 16 | – | – | (61) | – |
| As at 31 March 2023 | 8,015 | 14,991 | 4,251 | 348 | 12 | 27,617 |
| Amortisation | | | | | | |
| As at 1 April 2022 | 6,790 | 13,200 | 4,250 | 346 | – | 24,586 |
| Charged in year | 377 | 547 | – | 2 | – | 926 |
| Derecognition | – | – | – | – | – | – |
| Revaluations | – | – | – | – | – | – |
| Reclassifications | – | – | – | – | – | – |
| As at 31 March 2023 | 7,167 | 13,747 | 4,250 | 348 | – | 25,512 |
| Carrying amount as at 31 March 2023 | 848 | 1,244 | 1 | – | 12 | 2,105 |

With the exception of right of use assets which reflect the benefits arising under leases held by BTP, all assets are owned.

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.

Fair values

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

| | 2023/24 | | 2022/23 | |
|---|---------------|---------------|---------------|---------------|
| | Book Value | Fair Value | Book Value | Fair Value |
| Primary financial instruments | £'000 | £'000 | £'000 | £'000 |
| Financial assets | | | | |
| Cash at bank | 50,435 | 50,435 | 49,812 | 49,812 |
| Trade receivables | 2,796 | 2,796 | 2,812 | 2,812 |
| Total | 53,231 | 53,231 | 52,624 | 52,624 |
| Financial liabilities | | | | |
| VAT payable | 948 | 948 | 1,208 | 1,208 |
| Other taxation and social security payables | 13,536 | 13,536 | 3,536 | 3,536 |
| Trade payables | 5,276 | 5,276 | 4,128 | 4,128 |
| Total | 19,760 | 19,760 | 8,872 | 8,872 |

12. Inventories

| | 2023/24 | 2022/23 |
|----------------------------------|-----------|------------|
| | £'000 | £'000 |
| Uniform and related items | | |
| Opening balance | 114 | 375 |
| Additions | – | 120 |
| Utilisations | (57) | (381) |
| Provision | – | – |
| Adjustment | – | – |
| Closing balance | 57 | 114 |

Comparing 2022/23 to 2023/24, the value of inventories decreased by £57k to £57k. The decrease of additions is expected due to BTP moving towards an on-demand system where our inventory supplier provides us with items we need as and when needed, rather than us purchasing these items and them being held in stock. Moving forward, additions will only represent specialised inventory that our inventory supplier does not have readily available. There are no adjustment or provisions in 2022/23 and 2023/24.

13. Trade receivables and other assets

| | 2023/24 | 2022/23 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Amounts falling due within one year | | |
| Trade receivables – contracts with customers | 2,796 | 2,812 |
| Trade receivables – other | – | – |
| Other receivables | 1,107 | 683 |
| Prepayments and accrued income | 15,690 | 13,033 |
| Less: Impairment of receivables using expected loss model ¹ | (24) | (24) |
| Total | 19,569 | 16,504 |
| Amounts in the above figures due from other entities included in the whole of government account | | |
| Other central government bodies | 2,001 | 146 |
| Local authorities | 1,878 | 1,915 |
| Public corporations and trading funds | (37) | – |
| Intra-government debtors | 3,842 | 2,061 |
| Bodies external to government | 15,727 | 14,443 |
| Total | 19,569 | 16,504 |

Long – term receivables

| | 2023/24 | 2022/23 |
|--|---------|---------|
| | £'000 | £'000 |
| Prepayments and accrued income– amounts falling due after more than one year | 6 | – |

¹ A provision of £24k was made in 2021/22 against an element of debt where recovery is doubtful.

14. Cash and cash equivalents

| | 2023/24 | 2022/23 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Balance at 1 April | 49,812 | 53,331 |
| Net change in cash and cash equivalent balances | 623 | (3,519) |
| Balance at 31 March | 50,435 | 49,812 |
| The following balances at 31 March were held at | | |
| Government banking service | 104 | 104 |
| Commercial banks and cash in hand | 50,331 | 49,708 |
| Balance at 31 March | 50,435 | 49,812 |

15. Trade payables and other liabilities

| | 2023/24 | 2022/23 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Amounts falling due within one year | | |
| VAT payable | 948 | 1,208 |
| Other taxation and social security payables | 13,536 | 3,536 |
| Trade payables | 5,276 | 4,128 |
| Other payables | 15,095 | 2,302 |
| IFRS 16 Lease liabilities | 4,447 | 4,682 |
| Accruals ¹ | 22,680 | 41,558 |
| Deferred income – contracts with customers ² | 6,253 | 37 |
| Total | 68,235 | 57,451 |
| Amounts falling due after more than one year | | |
| Other payables, accruals and deferred income | - | 25,709 |
| IFRS 16 Lease liabilities ³ | 22,108 | - |

1 The accruals balance includes an accrual for employee annual leave entitlements not yet used.

2 The deferred income- contracts with customers balance includes the total balance at 22/23 year end of £37k.

3 Lease liabilities are now disclosed separately from other payables, accruals and deferred income. In 2022/23 other payables, accruals and deferred income entirely related to lease liabilities.

| | 2023/24 | 2022/23 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Total | 90,343 | 83,160 |
| Amounts in the above figures due to other entities included in the whole of government account | | |
| Other central government bodies | 12,352 | 6,442 |
| Local authorities | 14,561 | 6,183 |
| NHS Bodies | 162 | 636 |
| Public corporations and trading funds | 5 | (3) |
| Intra-government payables and liabilities | 27,080 | 13,258 |
| Bodies external to government | 63,263 | 69,902 |
| Total | 90,343 | 83,160 |

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 in the next financial year.

| | Claims against the Authority | Employment tribunals | Dilapidations | Other provisions | Total |
|---|------------------------------|----------------------|---------------|------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April 2022 | 1,829 | 85 | 2,662 | 2,776 | 7,352 |
| Provided in the year | 1,863 | 567 | 804 | 990 | 4,224 |
| Provisions utilised during the year | (536) | (240) | (136) | (604) | (1,516) |
| Provisions written back in the year | (1,321) | (120) | (101) | (593) | (2,135) |
| Balance at 31 March 2023 | 1,835 | 292 | 3,229 | 2,569 | 7,925 |
| Provided in the year | 2,326 | 422 | 39 | 2,576 | 5,363 |
| Provisions utilised during the year | (712) | (289) | (67) | (2,055) | (3,123) |
| Provisions written back during the year | (1,594) | (191) | (24) | (302) | (2,111) |
| Balance at 31 March 2024 | 1,855 | 234 | 3,177 | 2,788 | 8,054 |

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 resulted 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. The likelihood of outflow of resources could change based on these inputs resulting in an increased provision or in some cases a full write-back. A write back of the largest case provided for in the current year within this category would result in a drop the provision of £0.1 million.

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. As the cases progress the likelihood of outflow of resources will change. Were all expected outflows for new live cases for the financial year increased by 10%, the provision would increase by £0.03 million.

Dilapidations

This provision provides for the settlement of dilapidations costs of leasehold properties. Inputs for the calculation include length of lease, works undertaken at the property, landlord intention and terms of the lease. A 10% increase in the dilapidation estimate for each property would increase the provision by £0.8 million.

Other provisions

This relates to all other provisions and primarily includes costs relating to rental reviews and redundancies. There are a range of judgements and inputs involved in the calculation of these provisions. To demonstrate sensitivity; were the estimated rental uplift values 10% higher, the rent review provision would need to be uplifted by £0.06 million.

17. Contingent Liabilities

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. The cost has been estimated at a maximum of £0.75 million. Using information present at the time, and that no evidence of completed cases for these categories of claim exists within the Force, 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 exists regarding future claims following the conclusion of the Manchester Arena Inquiry. The process of considering potential claims and the organisation's legal liability is in progress. At the date of signing the Financial Statements the criteria for recognising a financial provision has not yet been met.

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 will affect certain transferees from Home Office forces to BTP. As a result additional backdated costs may be required to reflect this remedy. At this stage it is too early to ascertain a reasonable estimate of costs however early estimates assume a cost of £0.32 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 and a separate historic legal case. A maximum cost of £0.7 million for further costs and damages has been estimated.

18. Capital commitments

As at 31 March 2024 the Authority had the following capital commitments:

| | 2023/24 | 2022/23 |
|--------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Estates | 9 | 104 |
| Technology | 363 | 625 |
| Fleet | 2,378 | 2,073 |
| Other | 1 | 169 |
| Total BTP capital commitments | 2,751 | 2,971 |

19. Commitments under leases

Total future minimum lease payments under short term leases are given in the table below for each of the following periods¹:

| Short term leases not recognised under IFRS 16: | 2023/24 | 2022/23 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Buildings | | |
| Not later than one year | 1,414 | 1,448 |
| Later than one year and not later than five years | 3,555 | 4,050 |
| Later than 5 years | 6,069 | 6,923 |
| Total short term leases | 11,038 | 12,421 |

Total future minimum lease payments under right-of-use assets are given in the table below for each

¹ 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.

of the following periods:

| IFRS 16 Lease liabilities for the following periods comprise: | 2023/24 | 2022/23 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Buildings | | |
| Not later than one year | 4,447 | 4,682 |
| Later than one year and not later than five years | 10,445 | 12,380 |
| Later than 5 years | 11,663 | 13,329 |
| Total IFRS 16 Lease liabilities | 26,555 | 30,391 |

The following table provides a reconciliation between the opening and closing position of IFRS 16 lease liabilities²:

| | 2023/24 | 2022/23 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Opening IFRS 16 lease liability | 30,391 | 29,077 |
| Lease liability additions ³ | 452 | 12,081 |
| Lease liability disposals ³ | - | 196 |
| Lease repayments ⁴ | (4,803) | (12,040) |
| Finance charge ⁵ | 515 | 1,077 |
| Closing IFRS 16 lease liability | 26,555 | 30,391 |

² At the end of 2022/23 a lease reassessment exercise for all ongoing leases to determine the IFRS16 status was undertaken, resulting in 20 changes to the previous scoping. For those leases which commenced prior to 1 April 2022, the adjustments for previous years asset, liabilities, interest, depreciation and rent payments have been accounted for in 2022/23.

³ Included within lease liability additions 2022/23 of £12.1m is £12m of lease liability additions due to reassessment of 17 leases as in scope of IFRS16, the remaining £0.1m are standard lease liability additions. The lease disposals of £0.2m are 3 leases which were reassessed as out of scope.

⁴ Included within lease repayments 2022/23 of £12m is £6.2m of backdated lease repayments for the leases which were reassessed as in scope and commenced prior to 1 April 2022; the remaining £5.8m related to standard lease repayments for 2022/23 financial year.

⁵ Within the finance charge 2022/23 of £1.1m is £0.6m relating to standard finance charges for the 2022/23 financial year and £0.5m relating to backdated finance charges for the leases which were reassessed as in scope and commenced prior to 1 April 2022.

20. Other financial commitments

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

| Non-cancellable contracts for the following periods comprise | 2023/24 | 2022/23 |
|--|---------------|--------------|
| | £'000 | £'000 |
| Not later than one year | 11,335 | 6,938 |
| Later than one year and not later than five years | 5,089 | 720 |
| Later than 5 years | - | - |
| Total financial commitments | 16,424 | 7,658 |

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 invoiced for £237k by DfT in 2023/24 (£nil in 2022/23) and there was an outstanding balance of £22k at year end (£nil in 2022/23). BTPA was provided a grant in aid by DfT of £2,100k in 2023/24 for Operation Overhand. DfT was invoiced by the Authority for £44k in 2023/2024 (£nil in 2022/23) and no amounts were outstanding at year end (£nil in 2022/23).

In addition, BTPA have had a number of transactions with other government departments and other central government bodies. Most of these

transactions have been with Network Rail; DfT is a controlling party of both BTPA and Network Rail. The Authority was invoiced for £1,749k (£1,559k in 2022/23) by Network Rail in 2023/24 and as at 31 March 2024 there was £nil outstanding (£nil at 31 March 2023). Network Rail was invoiced by the Authority for £112,758k in 2023/24 (£111,379k in 2022/23) and as at 31 March 2024 £942k was outstanding (£1,381k at 31 March 2023). 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 £107k in 2023/24 (£100k in 2022/23) and there were no outstanding balances at year end (£nil in 2022/23).

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 £4,427k in the current financial year (£4,356k in 2022/23). At 31 March 2024 £4k was outstanding (£16k at 31 March 2023). The Home Office has invoiced the Authority for £1,755k (£1,847k in 2022/23) in the current financial year. At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023). 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 and Brian Lynch hold positions within Transport For London – Fiona is the Interim Chief People Officer, while Brian is the Head of Operations. In the course of the year, the Authority invoiced TfL for £92,336k (£83,670k in 2022/23). The Authority was invoiced by TfL during the year for £2,917k (£145k in 2022/23). As at 31 March 2024, no amounts were due from TfL (£501k at 31 March 2023). All these amounts are payable and receivable within 30 days and not subject to interest. For disclosure purposes, transactions with London Underground Limited and Transport Trading Limited have been included in these values.

Craig Mackey is an Independent Member at City of London Police Authority and Civil Nuclear Police Authority. In the course of the year, the Authority invoiced City of London Police for £42k (£54k in 2022/23) and was invoiced by City of London Police for £21k (£17k in 2022/23). All these amounts are payable and receivable within 30 days and not subject to interest. At 31 March 2024, £3k was outstanding to City of London Police (£nil at 31 March 2023). In the current year, the Authority invoiced Civil Nuclear Police Authority for £0.8k (£nil in 2022/23) and was invoiced by Civil Nuclear Police Authority for £9k (£nil in 2022/23). All these amounts are payable and receivable within 30 days and not subject to interest.

At 31 March 2024, no amounts were outstanding. Nick Hawkins is the Legally Qualified Chair at PCC Northumbria and PCC Avon and Somerset. In the course of the year, the Authority invoiced Northumbria Police for £5.7k (£0.8k in 2022/23) and was invoiced by Northumbria Police for £23k (£11k in 2022/23). At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023). In the current year, the Authority invoiced Avon and Somerset Police for £0.8k (£0.5k in 2022/23) and was invoiced by Avon and Somerset Police for £63k (£36k in 2022/23). At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023).

Stewart Jackson is the High Speed 2 (HS2) independent Residents' Commissioner for the Department for Transport. In the course of the year, the Authority invoiced HS2 for £370k (£483k in 2022/23) and no amounts were invoiced by HS2 (£nil in 2022/23). As at 31 March 2024, £24k was due from HS2 (£77k in 2022/23). As at 31 March 2024, no amounts were due to HS2 (£nil in 2022/23). All of these amounts are payable and receivable within 30 days and not subject to interest.

Hugh Ind is a board member for the Police Digital Service. In the course of the year, Police Digital Service invoiced the Authority for £593k (£431k in 2022/23) and no amounts were invoiced to Police Digital Service (£nil in 2022/23). At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023).

All of these amounts are payable within 14 days and not subject to interest.

Abdul Elghedafi is a Independent Appeals Panel Member and Chair for Department for Transport (Penalty Fare Appeals on behalf of Train Operating Companies (TOCs)). Please see the above note regarding Department for Transport for further details on the transactions during the year. Abdul Elghedafi is also an Independent Panel Member at London Borough of Islington Council. In the course of the year, London Borough of Islington Council invoiced the Authority for £453k (£430k in 2022/23) and no amounts were invoiced to London Borough of Islington Council (£nil in 2022/23). At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023). All of these amounts are payable within 30 days and not subject to interest.

Paula Carter is a Magistrate of HM Court and Tribunal Services (HMCTS), London South East Branch. In the course of the year, HMCTS had invoiced the Authority for £10k (£8k in 2022/23) - these payments are in relation to courts in London only. All of these amounts are payable taken through direct debits and not subject to interest. The Authority received £2.3k from HMCTS through court recoveries payments (£4k in 2022/23) - these relate to courts in London only. At 31 March 2024, no amounts were outstanding (£nil at 31 March 2023).

Dyan Perry is an Non-Executive Director at East West Railway, an arms length body of Department For

Transport. Please see the above note regarding Department for Transport for further details on the transactions during the year. Dyan is also the Chair of High Speed Rail Group, which High Speed 2 is apart of. The transactions with HS2 during the year have been included in the note above for Stewart Jackson.

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 | |
| Opening balance at 1 April 2022 | 57,240 | 8,753 | (912,506) | (846,513) |
| Gains/(losses) on revaluation of assets | – | 8,689 | – | 8,689 |
| Actuarial gain/(loss) | – | – | 968,480 | 968,480 |
| Comprehensive income for the year | (107,199) | – | – | (107,199) |
| Reclassification | (521) | (42) | – | (563) |
| Transfer between reserves | 106,409 | (1,016) | (105,393) | – |
| DfT Grant funding recognised | 1,342 | – | – | 1,342 |
| Closing balance at 31 March 2023 | 57,271 | 16,384 | (49,419) | 24,236 |

| | Distributable reserves | Undistributable reserves | | Total |
|---|------------------------|--------------------------|-----------------|---------------|
| | Retained earnings | Revaluation reserve | Pension reserve | |
| | £'000 | £'000 | £'000 | |
| Opening balance at 1 April 2023 | 57,271 | 16,384 | (49,419) | 24,236 |
| Gains/(losses) on revaluation of assets | – | 4,112 | – | 4,112 |
| Actuarial gain/(loss) | – | – | 50,920 | 50,920 |
| Comprehensive income for the year | (33,349) | – | – | (33,349) |
| Reclassification | (1,219) | – | – | (1,219) |
| Transfer between reserves | 20,139 | (2,529) | (17,610) | – |
| DfT Grant funding recognised ⁶ | 2,100 | – | – | 2,100 |
| Closing balance at 31 March 2024 | 44,942 | 17,967 | (16,109) | 46,800 |

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.

⁶ This is grant in aid provided by DfT (controlling party) funding for Operation Overhand.

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 defined benefit 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 24 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 17 years. Both schemes cover past and present employees, and aim to be fully funded.

The Authority have engaged corporate actuary XPS

to support the choice of financial assumptions as well as supporting the IAS 19 technical calculations used in completing the following disclosure. The single equivalent rate from the Merrill Lynch AA yield curve has been applied for the discount rate assumption; a consistent method to previous accounting years. This discount rate has increased from 4.70% in 2022/2023 to 4.85% in 2023/2024, largely driven by the economic climate. An increase of this level has a large impact on the pension liability and is the main cause for the significant decrease in the liability for both schemes this year.

The contribution and funding rates for the RPS section are set per the scheme rules; agreed at such rate as the Designated Employer and the Trustee agree is appropriate subject to the Actuary's confirmation that the revised rates are sufficient to secure the solvency of the Section. The Future Service Joint Contribution Rate is set as the long term funding rate determined by the Actuary. The 2019 actuarial valuation of the BTP section of the RPS scheme was finalised and reported a long term funding 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 met by the Authority until 01 April 2022. These actions will ensure the section is sufficiently funded for future requirements. This

shortfall does not affect the IFRS measurement of the liability. Should winding up ever occur, the scheme rules would be applied which covers the order of priority by which benefits are provided in the event of a shortfall or surplus.

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. Meanwhile the 2021 actuarial valuation of the BTPFSF has been approved by the employer.

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. Market volatility which has occurred around recent year-ends has also been assessed to ensure accurate valuation of assets.

BTPA has obtained approval to implement a new defined contribution scheme for new entrants offering a choice of contribution rates. The current BTP section of the Railway Pension Scheme will remain open to new entrants until a set date during the next financial year, after which point the section will close.

Please refer to the pension benefits section of the remuneration report for further context.

The net position of the schemes at 31 March 2024 were as follows:

| | 2023/24 | 2022/23 |
|---|-----------------|-----------------|
| | £'000 | £'000 |
| Net pension liabilities | | |
| British Transport Police Force Superannuation Fund | (25,631) | (38,051) |
| British Transport Police Section of the Railways Pension Scheme | 9,522 | (11,368) |
| | (16,109) | (49,419) |

The amounts recognised in the SoCI are as follows⁷:

| | 2023/24 | 2022/23 |
|---|---------------|----------------|
| | £'000 | £'000 |
| Pension costs reflected in the SoCI | | |
| Current Service Cost – BTPFSF | 32,040 | 81,910 |
| Current Service Cost – RPS | 9,490 | 23,600 |
| Administrative expenses and taxes – BTPFSF | 2,220 | 2,760 |
| Administrative expenses and taxes – RPS | 1,030 | 1,030 |
| | 44,780 | 109,300 |
| IAS19 interest reflected in the SoCI | | |
| Net Interest – BTPFSF | 1,370 | 18,700 |
| Net Interest – RPS | 350 | 4,720 |
| | 1,720 | 23,420 |
| Total amount recognised in the SoCI | 46,500 | 132,720 |

⁷ 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 | 2023/24 £'000 | 2022/23 £'000 |
|---|------|------------------|------------------|
| BTPFSF | | | |
| Current service cost | 23D | 32,040 | 81,910 |
| Administrative expenses and taxes | 23D | 2,220 | 2,760 |
| | | 34,260 | 84,670 |
| RPS | | | |
| Current service cost | 23D | 9,490 | 23,600 |
| Administrative expenses and taxes | 23D | 1,030 | 1,030 |
| | | 10,520 | 24,630 |
| Total I&E expenses | | 44,780 | 109,300 |
| Less employer contributions | | | |
| – Employer contributions BTPFSF | 23B | 19,970 | 19,160 |
| – Employer contributions RPS (including BRASS ⁸ matching) | 23B | 8,920 | 8,170 |
| Total employer contributions | | 28,890 | 27,330 |
| Total IAS 19 pension adjustment reported in the SoCF | | 15,890 | 81,970 |

8 British Rail Additional Superannuation Scheme (BRASS).

British Transport Police Force Superannuation Fund

A. Change in defined benefit obligation

| | 2023/24 | 2022/23 |
|---|------------------|------------------|
| | £'000 | £'000 |
| Defined benefit obligation at end of the prior year | 1,667,982 | 2,413,372 |
| Current service cost | 32,040 | 81,910 |
| Interest expense | 77,110 | 62,100 |
| Cash flows | | |
| – Benefits payments from plan | (68,700) | (62,730) |
| – Participant contributions | 13,300 | 12,790 |
| Remeasurements | | |
| – Effect of changes in financial assumptions | (23,900) | (1,018,810) |
| – Effect on changes in demographic assumptions | (25,170) | (40,090) |
| – Effect of experience adjustments | 12,590 | 219,440 |
| Defined benefit obligation at end of year | 1,685,252 | 1,667,982 |

B. Changes in fair value of plan assets

| | 2023/24 | 2022/23 |
|--|------------------|------------------|
| | £'000 | £'000 |
| Fair value of plan assets at end of the prior year | 1,629,931 | 1,685,661 |
| Interest Income | 75,740 | 43,400 |
| Cash flows | | |
| – Employer contributions | 19,970 | 19,160 |
| – Government support payments | – | – |
| – Participant contributions | 13,300 | 12,790 |
| – Benefits payments from plan | (68,700) | (62,730) |
| – Administrative expenses paid from plan assets | (2,220) | (2,760) |
| Return on plan assets (excluding interest income) | (8,400) | (65,590) |
| Fair value of plan assets at end of year | 1,659,621 | 1,629,931 |

C. Amounts recognised in the SoFP

| | 2023/24 | 2022/23 |
|----------------------------|---------------|---------------|
| | £'000 | £'000 |
| Defined benefit obligation | 1,685,252 | 1,667,982 |
| Fair value of plan assets | (1,659,621) | (1,629,931) |
| Net liability | 25,631 | 38,051 |

D. Components of defined benefit cost

| | 2023/24 | 2022/23 |
|--|-----------------|------------------|
| | £'000 | £'000 |
| Service Cost | | |
| – Current service cost | 32,040 | 81,910 |
| Total service cost | 32,040 | 81,910 |
| Net interest cost | | |
| – interest expense on defined benefit obligation | 77,110 | 62,100 |
| – interest (income) on plan assets | (75,740) | (43,400) |
| Total net interest cost | 1,370 | 18,700 |
| Administrative expenses and taxes | 2,220 | 2,760 |
| Defined benefit cost included in the SoCI | 35,630 | 103,370 |
| Remeasurements (recognised in OCI) | | |
| – Effect on changes in demographic assumptions | (25,170) | (40,090) |
| – Effect of changes in financial assumptions | (23,900) | (1,018,810) |
| – Effect of experience adjustments | 12,590 | 219,440 |
| – Return on plan assets (excluding interest income) | 8,400 | 65,590 |
| Total remeasurements included in OCI | (28,080) | (773,870) |
| Total defined benefit cost recognised in SoCI and OCI | 7,550 | (670,500) |

The Authority expects the service cost for the year ending 31 March 2025 to be £31.31 million (31 March 2024: £32.04 million).

E. Net defined benefit liability (asset) reconciliation

| | 2023/24 | 2022/23 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Opening net defined benefit liability (asset) | 38,051 | 727,711 |
| Defined benefit cost included in the SoCI | 35,630 | 103,370 |
| Total remeasurements included in OCI | (28,080) | (773,870) |
| Employer contributions | (19,970) | (19,160) |
| Net defined benefit liability (asset) as of end of year | 25,631 | 38,051 |

The liability has decreased from 2022/23, primarily based on the increase in discount rate as detailed in note 23H.

F. Defined benefit obligation

| Defined benefit obligation by participant status | 2023/24 | 2022/23 |
|--|------------------|------------------|
| | £'000 | £'000 |
| – Actives | 651,382 | 590,476 |
| – Vested deferreds | 111,005 | 111,476 |
| – Retirees | 922,865 | 966,030 |
| Total | 1,685,252 | 1,667,982 |

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 is 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 | 2023/24 | | | | 2022/23 |
|---|--------------------|---------------|---------------|-------------------|-------------------|
| | Fair value Level 1 | Level 2 | Level 2 | Total | Total |
| | £ million | £ million | £ million | £ million | £ million |
| Private equity and non-exchange-traded Pooled Investment Vehicles | – | – | 414.04 | 414.04 | 460.83 |
| Equities | 635.98 | – | 53.66 | 689.64 | 779.15 |
| Cash and current assets | 85.90 | – | – | 85.90 | 109.18 |
| Fixed Interest Securities | 0.40 | 76.76 | 14.48 | 91.64 | 10.63 |
| Index Linked Securities | 150.56 | 6.55 | – | 157.11 | 178.98 |
| Derivatives – Future | 16.66 | – | – | 16.66 | (0.06) |
| Derivatives – FX Contracts | (0.71) | – | – | (0.71) | – |
| UK Property | – | – | 28.71 | 28.71 | 21.30 |
| Pooled Investment Vehicles | 1.97 | 35.95 | 134.71 | 172.63 | 65.25 |
| Other | – | – | 4.00 | 4.00 | 4.67 |
| Fair value of plan assets | 890.76 | 119.26 | 649.60 | 1,659.62 | 1,629.93 |
| Present value of funded obligations | | | | (1,685.25) | (1,667.98) |
| Net liability | | | | (25.63) | (38.05) |

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 | 2023/24 | | |
|---|-----------------------------|--------------------------------------|-----------------------------|
| | Change in asset class value | Change in total value of plan assets | Change in deficit £ million |
| Private equity and non-exchange-traded Pooled Investment Vehicles | +5% | 1.25% | (20.70) |
| | -5% | -1.25% | 20.70 |
| UK Property | +5% | 0.09% | (1.44) |
| | -5% | -0.09% | 1.44 |
| Total plan assets | +5% | 5.00% | (82.98) |
| | -5% | -5.00% | 82.98 |

H. Significant actuarial assumptions

| Weighted average assumptions to determine benefit obligations | 2023/24 | 2022/23 |
|---|---------|---------|
| Discount rate | 4.85% | 4.70% |
| Rate of price inflation (RPI) [^] | 3.10% | 3.10% |
| Rate of price inflation (CPI) [^] | 2.85% | 2.80% |
| Rate of increase /(decrease) in salaries* | 2.85% | 2.80% |
| Rate of pension increase | 2.85% | 2.80% |

* 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 4.00% for the first year following the measurement date, then 3.00% in the second year, and 2.00% for the third to fifth years following that. 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 0.25% p.a. from the RPI inflation assumption to derive the CPI inflation assumption.

If the inflation assumptions reduce by 50 basis points, then the overall impact on the funding position of the pension schemes would be a £144m improvement as at 31 March 2024. Of this, £118m relates to The British Transport Police Force Superannuation Fund and £26m relates to the British Transport Police Shared Cost Section of the Railways Pension Scheme

| Assumed life expectations on retirement at age 65 | 2023/24 | 2022/23 |
|---|---------|---------|
| Retiring today – Males | 21.6 | 22.1 |
| Retiring today – Females | 23.9 | 24.3 |
| Retiring in 20 years time – Males | 22.9 | 23.4 |
| Retiring in 20 years time – Females | 25.3 | 25.8 |

| Expected future benefit payments from the fund, based on data from 2021 formal valuation and the 31 March 2024 IAS 19 assumptions: | 2023/24 | 2022/23 |
|--|-----------|-----------|
| | £ million | £ million |
| Benefits expected to be paid with 12 months | 71.0 | 65.0 |
| Benefits expected to be paid between 2 to 3 years | 143.0 | 138.0 |
| Benefits expected to be paid between 4 to 6 years | 229.0 | 221.0 |
| Benefits expected to be paid between 7 to 10 years | 330.0 | 318.0 |
| Benefits expected to be paid between 11 to 15 years | 455.0 | 437.0 |
| Benefits expected to be paid in over 15 years | 3,517.0 | 3,428.0 |

I. Sensitivity analysis

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

| Net liability (asset), excluding any effect of asset limit | 2023/24 | 2022/23 |
|--|--------------------------|--------------------------|
| | £ million | £ million |
| Base | 25.63 | 38.05 |
| Discount rate | | |
| – Discount rate -25 basis points | 71.36 | 72.15 |
| – Assumption | 4.60% | 4.45% |
| – Discount rate +25 basis points | (66.74) | (67.41) |
| – Assumption | 5.10% | 4.95% |
| Inflation rate | | |
| – Inflation rate -50 basis points | (118.02) | (112.30) |
| – Assumption | 2.35% | 2.30% |
| – Inflation rate +50 basis points | 130.55 | 124.11 |
| – Assumption | 3.35% | 3.30% |
| Mortality | | |
| – Mortality | 50.31 | 47.81 |
| – Assumption | Plus one year age rating | Plus one year age rating |

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

FINANCIAL REPORT

| Analysis of net SoFP | £ million | Sensitivities from Base Financial Year (FY) 2024 (one item changed with all other things held constant) | | | | | |
|---|--------------|---|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| | FY 2023 | Base FY 2024 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
| Fair value of scheme assets | 1,629.93 | 1,659.62 | 1,659.62 | 1,659.62 | 1,659.62 | 1,659.62 | 1,659.62 |
| Present value of benefit obligations | 1,667.98 | 1,685.25 | 1,756.61 | 1,618.51 | 1,567.23 | 1,815.80 | 1,735.56 |
| Net liability/(asset), excluding any effect of asset limit | 38.05 | 25.63 | 96.99 | (41.11) | (92.39) | 156.18 | 75.94 |

| Analysis of projected pension cost | £ million | Sensitivities from Base Financial Year (FY) 2024 (one item changed with all others held constant) | | | | | |
|--|----------------|---|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| | Actual FY 2024 | Base FY 2025 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
| Current service cost | 32.04 | 31.31 | 34.89 | 29.48 | 27.52 | 37.42 | 32.93 |
| Interest cost | 77.11 | 80.40 | 79.54 | 81.15 | 74.69 | 86.73 | 82.85 |
| Interest income on scheme assets | (75.74) | (79.59) | (75.49) | (83.69) | (79.59) | (79.59) | (79.59) |
| Administrative expenses and taxes | 2.22 | 2.22 | 2.22 | 2.22 | 2.22 | 2.22 | 2.22 |
| Total pension cost before asset limit | 35.63 | 34.34 | 41.16 | 29.16 | 24.84 | 46.78 | 38.41 |

| Actuarial assumptions | FY 2023 | Base FY 2024 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
|--------------------------|---------|--------------|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| Discount rate | 4.70% | 4.85% | 4.60% | 5.10% | 4.85% | 4.85% | 4.85% |
| Rate of RPI assumption | 3.10% | 3.10% | 3.10% | 3.10% | 2.60% | 3.60% | 3.10% |
| Rate of CPI assumption | 2.80% | 2.85% | 2.85% | 2.85% | 2.35% | 3.35% | 2.85% |
| Rate of salary increase | 2.80% | 2.85% | 2.85% | 2.85% | 2.35%* | 3.35%* | 2.85% |
| Rate of pension increase | 2.80% | 2.85% | 2.85% | 2.85% | 2.35% | 3.35% | 2.85% |

| Mortality Table | In line with the actuarial valuation as at 31 December 2021 but excluding margins for prudence and COVID-19 allowance, and 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 2021 but excluding margins for prudence and COVID-19 allowance, and using the 2022 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 2021 but excluding margins for prudence and COVID-19 allowance, and 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 4% for the first year, 3% for the second year and 2% for the following 3 years. Then increases at the assumed rate of increase in salaries thereafter.

British Transport Police Section of the Railways Pension Scheme

A. Change in defined benefit obligation

| | 2023/24 | 2022/23 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Defined benefit obligation at end of the prior year | 257,389 | 429,879 |
| Current service cost | 9,490 | 23,600 |
| Interest expense | 12,070 | 11,170 |
| Cash flows | | |
| – Benefits payments from plan | (6,200) | (5,720) |
| – Participant contributions | 5,100 | 4,570 |
| Remeasurements | | |
| – Effect of changes in financial assumptions | (6,620) | (238,540) |
| – Effect of experience adjustments | (5,630) | 32,430 |
| – Effect on changes in demographic assumptions | (4,820) | – |
| Defined benefit obligation at end of year | 260,779 | 257,389 |

B. Changes in the fair value of plan assets

| | 2023/24 | 2022/23 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Fair value of plan assets at end of the prior year | 246,021 | 245,081 |
| Interest Income | 11,720 | 6,450 |
| Cash flows | | |
| – Employer contribution (including BRASS matching) | 8,920 | 8,170 |
| – Participant contributions | 5,100 | 4,570 |
| – Benefits payments from plan | (6,200) | (5,720) |
| – Administrative expenses paid from plan assets | (1,030) | (1,030) |
| Return on plan assets (excluding interest income) | 5,770 | (11,500) |
| Fair value of plan assets at end of year | 270,301 | 246,021 |

C. Amounts recognised in the SoFP

| | 2023/24 | 2022/23 |
|----------------------------|----------------|---------------|
| | £'000 | £'000 |
| Defined benefit obligation | 260,779 | 257,389 |
| Fair value of plan assets | (270,301) | (246,021) |
| Net liability | (9,522) | 11,368 |

D. Components of defined benefit cost

| | 2023/24 | 2022/23 |
|--|-----------------|------------------|
| | £'000 | £'000 |
| Service cost | | |
| Current service cost | 9,490 | 23,600 |
| Total service cost | 9,490 | 23,600 |
| Net interest cost | | |
| – interest expense on defined benefit obligation | 12,070 | 11,170 |
| – interest (income) on plan assets | (11,720) | (6,450) |
| Total net interest cost | 350 | 4,720 |
| Administrative expenses and taxes | 1,030 | 1,030 |
| Defined benefit cost included in the SoCI | 10,870 | 29,350 |
| Remeasurements (recognised in OCI) | | |
| – Effect of changes in financial assumptions | (6,620) | (238,540) |
| – Effect of experience adjustments | (5,630) | 32,430 |
| – Return on plan assets (excluding interest income) | (5,770) | 11,500 |
| – Net measurement gains/(losses) – demographic | (4,820) | – |
| Effect of asset limitation and IAS minimum funding requirement | – | – |
| Total remeasurements included in OCI | (22,840) | (194,610) |
| Total defined benefit cost recognised in SoCI and OCI | (11,970) | (165,260) |

The Authority expects the service cost for the year ending 31 March 2025 to be £10.11million (31 March 2024: £9.49 million).

E. Net defined benefit liability (asset) reconciliation

| | 2023/24 | 2022/23 |
|--|----------------|---------------|
| | £'000 | £'000 |
| Opening net defined benefit liability (asset) | 11,368 | 184,798 |
| Effect of changes in demographic assumptions | 10,870 | 29,350 |
| Total defined benefit cost recognised in the SoCI and OCI | (22,840) | (194,610) |
| Employer contributions | (8,920) | (8,170) |
| Net defined benefit liability (asset) as of end of year | (9,522) | 11,368 |

The liability has decreased from 2022/23, primarily based on the increase in discount rate as detailed in note 23H.

F. Defined benefit obligation

| Defined benefit obligation by participant status | 2023/24 | 2022/23 |
|--|----------------|----------------|
| | £'000 | £'000 |
| – Actives | 112,677 | 139,760 |
| – Vested deferreds | 89,991 | 78,872 |
| – Retirees | 58,111 | 38,757 |
| Total | 260,779 | 257,389 |

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 is 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.

| | 2023/24 | | | | 2022/23 |
|--|--------------------|--------------|--------------|-----------------|-----------------|
| | Fair value Level 1 | Level 2 | Level 2 | Total | Total |
| | £ million | £ million | £ million | £ million | £ million |
| Railway Pension Scheme | | | | | |
| Private equity and non-exchange -traded Pooled Investment Vehicles | – | – | 59.31 | 59.31 | 61.20 |
| Equities | 118.70 | – | 7.07 | 125.77 | 136.70 |
| Cash and current assets | 14.04 | – | – | 14.04 | 18.88 |
| Fixed Interest Securities | 0.07 | 13.74 | 1.67 | 15.48 | 0.80 |
| Index Linked Securities | 17.64 | 0.64 | – | 18.28 | 15.24 |
| Derivatives – Future | 3.11 | – | – | 3.11 | (0.01) |
| Derivatives – FX Contracts | (0.13) | – | – | (0.13) | – |
| UK Property | – | – | 2.22 | 2.22 | 1.65 |
| Pooled Investment Vehicles | 0.37 | 6.71 | 25.14 | 32.22 | 11.56 |
| Other | – | – | – | – | – |
| Fair value of plan assets | 153.80 | 21.09 | 95.41 | 270.30 | 246.02 |
| Present value of funded obligations | | | | (260.78) | (257.39) |
| Net liability | | | | 9.52 | (11.37) |

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 | 2023/24 | | |
|--|-----------------|-------------------|--------------------------------|
| | Change in value | Percentage Change | Change in deficit £ million |
| Private equity and non-exchange -traded Pooled Investment Vehicles | +5% | 1.10% | (2.97) |
| | -5% | -1.10% | 2.97 |
| UK Property | +5% | 0.04% | (0.11) |
| | -5% | -0.04% | 0.11 |
| Total plan assets | +5% | 5.00% | (13.51) |
| | -5% | -5.00% | 13.51 |

H. Significant actuarial assumptions

| Weighted average assumptions to determine benefit obligations | 2023/24 | 2022/23 |
|---|---------|---------|
| Discount rate | 4.85% | 4.70% |
| Rate of price inflation (RPI) [^] | 3.10% | 3.10% |
| Rate of price inflation (CPI) [^] | 2.85% | 2.80% |
| Rate of increase/(decrease) in salaries* | 2.85% | 2.80% |
| Rate of pension increase | 2.85% | 2.80% |

* 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 0.25% p.a. from the RPI inflation assumption to derive the CPI inflation assumption.

If the inflation assumptions reduce by 50 basis points, then the overall impact on the funding position of the pension schemes would be a £144m improvement as at 31 March 2024. Of this, £118m relates to The British Transport Police Force

Superannuation Fund and £26m relates to the British Transport Police Shared Cost Section of the Railways Pension Scheme.

| Assumed life expectations on retirement at age 65 | 2023/24 | 2022/23 |
|---|---------|---------|
| Retiring today – Males | 20.3 | 20.8 |
| Retiring today – Females | 22.7 | 23.1 |
| Retiring in 20 years time – Males | 21.7 | 22.2 |
| Retiring in 20 years time – Females | 24.2 | 24.6 |

| Expected future benefit payments from the fund, based on data from the draft 2022 formal valuation and the 31 March 2024 IAS 19 assumptions: | 2023/24 | 2022/23 |
|--|-----------|-----------|
| | £ million | £ million |
| Benefits expected to be paid within 12 months | 6.00 | 6.00 |
| Benefits expected to be paid between 2 to 3 years | 14.00 | 13.00 |
| Benefits expected to be paid between 4 to 6 years | 24.00 | 23.00 |
| Benefits expected to be paid between 7 to 10 years | 41.00 | 39.00 |
| Benefits expected to be paid between 11 to 15 years | 67.00 | 64.00 |
| Benefits expected to be paid in over 15 years | 717.00 | 683.00 |

I. Sensitivity analysis

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

| Net liability (asset), excluding any effect of asset limit | 2023/24 | 2022/23 |
|--|--------------------------|--------------------------|
| | £ million | £ million |
| Base | (9.52) | 11.37 |
| Discount rate | | |
| – Discount rate -25 basis points | 15.99 | 16.52 |
| – Assumption | 4.60% | 4.45% |
| – Discount rate +25 basis points | (14.83) | (15.29) |
| – Assumption | 5.10% | 4.95% |
| Inflation rate | | |
| – Inflation rate -50 basis points | (25.60) | (25.62) |
| – Assumption | 2.35% | 2.30% |
| – Inflation rate +50 basis points | 29.11 | 29.16 |
| – Assumption | 3.35% | 3.30% |
| Mortality | | |
| – Mortality | 7.42 | 6.78 |
| – Assumption | Plus one year age rating | Plus one year age rating |

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

FINANCIAL REPORT

| Analysis of net SoFP | £ million | Sensitivities from Base Financial Year (FY) 2024 (one item changed with all other things held constant) | | | | | |
|---|--------------|---|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| | FY 2023 | Base FY 2024 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
| Fair value of scheme assets | 246.01 | 270.30 | 270.30 | 270.30 | 270.30 | 270.30 | 270.30 |
| Present value of benefit obligations | 257.39 | 260.78 | 276.77 | 245.95 | 235.18 | 289.89 | 268.20 |
| Net liability/(asset), excluding any effect of asset limit | 11.38 | (9.52) | 6.47 | (24.35) | (35.12) | 19.59 | (2.10) |

| Analysis of projected pension cost | £ million | Sensitivities from Base Financial Year (FY) 2024 (one item changed with all others held constant) | | | | | |
|--|----------------|---|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| | Actual FY 2024 | Base FY 2025 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
| Current service cost | 9.49 | 10.11 | 10.50 | 8.55 | 8.10 | 11.05 | 9.85 |
| Interest cost | 12.07 | 12.62 | 12.71 | 12.52 | 11.38 | 14.03 | 12.98 |
| Interest income on scheme assets | (11.72) | (13.27) | (12.59) | (13.96) | (13.27) | (13.27) | (13.27) |
| Administrative expenses and taxes | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| Total pension cost before asset limit | 10.87 | 10.49 | 11.65 | 8.14 | 7.24 | 12.84 | 10.59 |

| Actuarial assumptions | FY 2023 | Base FY 2024 | Minus 0.25% discount rate | Plus 0.25% discount rate | Minus 0.5% inflation rate | Plus 0.5% inflation rate | Mortality sensitivity |
|------------------------------|---------|--------------|---------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| Discount rate | 4.70% | 4.85% | 4.60% | 5.10% | 4.85% | 4.85% | 4.85% |
| Rate of RPI assumption | 3.10% | 3.10% | 3.10% | 3.10% | 2.60% | 3.60% | 3.10% |
| Rate of CPI assumption | 2.80% | 2.85% | 2.85% | 2.85% | 2.35% | 3.35% | 2.85% |
| Rate of increase in salaries | 2.80%* | 2.85%* | 2.85%* | 2.85%* | 2.35%* | 3.35%* | 2.85% |

| Mortality Table | | | |
|-----------------|---|---|--|
| | "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 2022 but excluding COVID-19 adjustment and using the 2022 CMI model with long term improvements of 1.25% p.a. and an initial addition of 0.2% from 2022 onwards | In line with the results of the actuarial valuation as at 31 December 2022 but excluding COVID-19 adjustment and using the 2022 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 2022 onwards. |

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 equal to 4%, 3%, 2%, 2% and 2% for the first 5 years respectively. 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.

Mortality assumptions

Future mortality expectations are likely to need to be considered once the effects on the underlying population health are more fully understood. There is a lag for mortality data to be processed to the models on which future mortality expectations are based. As yet, there are no firm conclusions on the impact on mortality, but this is expected to emerge as more data is collected.

Please see the above tables for the sensitivity of the results to changes in mortality assumptions.

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 at this stage, the full impact of the COVID-19 pandemic in the long term remains uncertain. The mortality rates experienced for recent years in both schemes show no significant change in mortality based on the review of the data provided by the Schemes' Actuaries. No margins have been applied to this analysis to reflect this risk.

24. Defined contribution pension scheme

As of 2023/24, BTP launched a new pension scheme. The scheme is administered by Royal London, and is a group personal pension plan which is available to all police staff. It's a defined contribution scheme, offering employees the flexibility to vary their pension

contributions from 4.4% to 12% of their salary. Like the existing scheme, BTP also makes contributions to the pension. The new scheme applies to new employees employed on or after 1 October 2023, and employees not in a pension scheme currently.

As at 31 March 2024, the scheme had 118 active members. All employees are put into the scheme at a default rate of 4.4% employee contribution and 6.6% employer contribution rate. The scheme contributions are a 60:40 split employer to employee. The employer will match contributions up to a maximum of 8.4% the employee must pay a minimum of 5.6% to qualify for the highest employer rate. Employees can contribute a maximum of 12% of pensionable pay but this is under review.

For the year ended 31 March 2024, employer's contributions of £46k were payable. In the year to 31 March 2024, the net cost of pensions amounted to £121k.

25. Events occurring after the reporting date

There are no events to report. The Accounting Officer authorised these financial statements for issue on the date of the Comptroller and Auditor General signature.

