OFFICIAL-SENSITIVE

Department for Transport

Framework Document

The British Transport Police Authority

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Department for Transport
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London
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1. Introduction and background

Background

1.1 The British Transport Police Authority ("BTPA") is an executive non-departmental public body sponsored by the Department for Transport ("the Department"). The BTPA is responsible for ensuring the efficient and effective policing of the railways through the maintenance of the British Transport Police Force.

Purpose of document

1.2 This framework document (the "framework document") has been agreed between the Department and the BTPA in accordance with HM Treasury's handbook Managing Public Money ("MPM") (as updated from time to time) and has been approved by HM Treasury.

1.3 The framework document sets out the broad governance framework within which the BTPA and the Department operate. It sets out the BTPA's core responsibilities, describes the governance and accountability framework that applies between the roles of the Department and the BTPA, and sets out how the day-to-day relationship works in practice, including in relation to governance and financial matters.

1.4 The document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.

1.5 Copies of the document and any subsequent amendments have been placed in the libraries of both Houses of Parliament and made available to members of the public on the BTPA website.

1.6 This framework document should be reviewed and updated at least every 3 years unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer of the Department. The latest date for review and updating of this document is [2028].

Objectives

1.7 The Department and the BTPA share the common objective of ensuring the efficient and effective policing of the railways. To achieve this the BTPA and the Department will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the BTPA to achieve its objectives through the promotion of partnership and trust and ensuring that the BTPA also supports the strategic aims and objective of the Department and wider government as a whole.

Classification

1.8 The BTPA has been administratively classified by the Cabinet Office as a non-departmental public body (“NDPB”).

2. Purpose, aims and duties

Purpose

2.1 The BTPA has been established under section 18 of the Railways and Transport Safety Act 2003 ("RTSA"). The British Transport Police Authority (BTPA) is the independent body responsible for ensuring an efficient and effective British Transport Police force. The BTPA employs BTP officers and staff, oversees its operations, sets targets, allocates funding for its budget and raises those funds from the rail industry.

Powers and duties

2.2 BTPA's functions, powers and duties are set out in Part 3 and Schedule 4 of the Railways and Transport Safety Act 2003.

2.3 BTPA's statutory duties are to:

a) ensure the efficient and effective policing of the railways;

b) secure the maintenance of an efficient and effective police force, to be known as the British Transport Police Force, to police the railways (s20 RTSA);

c) defray the expenses of the British Transport Police Force (s20 RTSA);

d) appoint:

i. a Chief Constable of the British Transport Police Force (s21 RTSA),

ii. a deputy Chief Constable of the British Transport Police Force (s22 RTSA),

iii. at least one assistant Chief Constable of the British Transport Police Force (s23 RTSA), and

iv. employ constables of the British Transport Police Force (ss24 and 29 RTSA);

e) before the beginning of each financial year:

   i. set objectives for policing the railways for that year (s50 RTSA), and

   ii. issue a plan setting out the proposed arrangements for policing the railways for that year (s52RTSA);

f) before the beginning of each consecutive period of three financial years issue a plan, which sets out the BTPA's medium-term and long-term strategies for policing the railways during that period (s55 RTSA);

g) as soon as is reasonably practicable after the end of each financial year, issue a report about the policing of the railways in that year (s57 RTSA);

h) Make, and review from time to time, arrangements to:

   i. obtain the opinions about the policing of the railways of stakeholders, and, and

   ii. invite the co-operation of those stakeholders in preventing crime on the railways (s62 RTSA);

i) pay to the Secretary of State or Scottish Ministers such amounts as they may specify in respect of an inspection carried out under s63 RTSA (s63 RTSA);

j) make a code of practice establishing standards for the conduct of members (Sch 4 para 9 RTSA);

k) appoint:

   i. a Treasurer with responsibility for ensuring the proper management of the BTPA's finances, and

   ii. a chief executive with responsibility, assigned by the BTPA, similar to those of the head of a local authority's paid service under section 4 of the Local Government and Housing Act 1989 (Sch 4 para 11 RTSA);

l) determine its practice and procedure subject to the provisions of Sch4 RTSA (Sch 4 para 13 RTSA);

m) conduct its proceedings in public where appropriate (Sch 4 para 14 RTSA);

n) establish a fund to be known as the British Transport Police Fund (Sch 4 para 16 RTSA) and:

   i. maintain accounts of that Fund, and

   ii. send a copy of those accounts in respect of each financial year to the Comptroller and Auditor General as soon as practicable after the end of that year (Sch 4 paras 16-17 RTSA);

o) before each financial year set a budget of expected expenditure and income for the year (Sch 4 para 19 RTSA);

p) make an estimate of the likely ratio of customers' contributions in accordance with s33(4)(b) RTSA:

   i. before and in relation to each consecutive period of five financial years, and

   ii. at such other times and in relation to such other periods as the BTPA thinks appropriate (Sch 4 para 20 RTSA);

q) publish arrangements for making payments to or in respect of members or former members in respect of remuneration, allowances, expenses, compensation or gratuity (Sch 4 para 21 RTSA);

r) pay any money received into the British Transport Police Fund (Sch 4 para 30 RTSA).

2.4 BTPA's statutory powers enable it to:

a) permit an Assistant Chief Constable to perform the function of a Chief Constable (s23 RTSA);

b) employ persons to assist the British Transport Police ("BTP") (s27 RTSA);

c) enter into police service agreements with any person which provides for:

   i. the BTP to police a railway or railway property in connection with which that person provides railway services,

   ii. the BTP to provide additional policing services, and

   iii. incidental or ancillary matters (s33 RTSA);

d) refer a dispute about a police service agreement to the Secretary of State for arbitration (s35 RTSA);

e) make regulations about the government, administration and conditions of service of:

   i. constables or other persons employed in the service of the BTP (ss36, 40 and 46 RTSA),

   ii. special constables of the BTP (ss37, 40 and 46 RTSA), and

   iii. cadets of the BTP (ss38, 40 and 46 RTSA);

f) make regulations about the British Transport Police Federation (ss39-40 and 46 RTSA);

g) provide advice or assistance, or arrange for BTP to provide advice or assistance, to a body which has responsibilities in relation to the policing of a railway outside Great Britain (s70 RTSA);

h) appoint and delegate functions to staff (Sch 4 para 10 RTSA);

i) establish and delegate functions to committees (Sch 4 para 12 RTSA);

j) make payments to or in respect of:

   i. staff or former staff whether by way or in respect of remuneration, allowances, expenses, compensation or gratuity (Sch 4 para 22 RTSA), and

   ii. a person who is or has been a constable, cadet or civilian employee of BTP (Sch 4 para 23 RTSA);

k) arrange for the establishment of a pension scheme for the benefit of members or staff with the consent of the Secretary of State (Sch 4 para 25 RTSA);

l) make payment under a pension scheme or in respect of pensions for members, former members, staff or former staff (Sch 4 para 26 RTSA);

m) accept money or other property by way of grant, loan or otherwise from any person (whether or not subject to conditions or terms) (Sch 4 para 28 RTSA);

n) borrow money only with the consent of the Secretary of State (Sch 4 para 29 RTSA);

o) acquire, develop or dispose of property (Sch 4 para 31 RTSA).

Aims

2.5 The BTPA's strategic aims are set out in the three-year strategy plan issued in compliance with section 55 of the RTSA and the Railways policing plan set out in section 52 of the RTSA

3. Governance and accountability

Governance and accountability

3.1 The BTPA shall operate corporate governance arrangements that, so far as practicable and in the light of the other provisions of this framework document or as otherwise may be mutually agreed, accord with good corporate governance practice and applicable regulatory requirements and expectations.

3.2 In particular (but without limitation), BTPA should:

a) comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice[1] (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report

3.3 comply with MPM

a) in line with MPM have regard to the relevant Functional Standards[2] as appropriate and in particular those concerning Finance, Commercial and Counter Fraud

b) take into account the codes of good practice and guidance set out in Annex A of this framework document, as they apply to ALBs

3.4 In line with MPM Annex 3.1 the BTPA shall provide an account of corporate governance in its annual governance statement including the BTPA Board's assessment of its compliance with the Code with explanations of any material departures. To the extent that the BTPA does intend to materially depart from the Code, the sponsor should be notified in advance.

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[1] https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017

[2] https://www.gov.uk/government/collections/functional-standards

4. Role of the Department

The responsible Minister

4.1 The Secretary of State for Transport is the responsible Minister and is accountable to Parliament for all matters concerning the BTPA.

4.2 The Secretary of State's statutory duties and powers in respect of the BTPA are set out in Part 3 and Schedule 4 of the RTSA.

4.3 The Secretary of State's statutory duties are to:

a) determine the procedure to be followed in determining a dispute about a police services agreement referred to them for arbitration (s35 RTSA)

b) exercise their functions in relation to the BTPA for the purpose of promoting the efficiency and effectiveness of the British Transport Police Force (s71 RTSA)

c) appoint the members of the BTPA (Sch 4 para 1 RTSA), ensuring that as far as reasonably practicable it includes persons with the knowledge and experience listed in Sch 4 para 2 RTSA (Sch 4 para 2 RTSA;

d) appoint a member of the BTPA as its Chair (Sch 4 paras 4 and 6 RTSA)

e) appoint a member of the BTPA as its deputy Chair (Sch 4 paras 5-6 RTSA)

4.4 The Secretary of State has the power to:

a) make regulations about the suspension and removal of:

i. the Chief Constable (s21 RTSA),

ii. the deputy Chief Constable (s22 RTSA), and

iii. an assistant Chief Constable (s23 RTSA);

b) make an order requiring a person who provides railway services or each member of a class of persons providing railway services to enter into a police services agreement (s34 RTSA);

c) determine any dispute regarding a police services agreement or nominate a person to determine the dispute, where that dispute is referred to them (s35 RTSA);

d) dispense with the requirement for approval of draft regulations made under ss36-39 RTSA (s40 RTSA) on the application of the BTPA;

e) direct the BTPA to prepare draft regulations under ss 36-39 RTSA, submit them for approval, in a timely manner, and make them if approved (s41 RTSA);

f) make regulations in relation to BTP:

   i. in respect of any matter about which they could make regulations under sections 50, 51, 52 or 60 of the Police Act 1996 (s42 RTSA),

   ii. under section 53 of the Police Act 1996 (s44 RTSA), and

   iii. under section 53A of the Police Act 1996 (s45 RTSA);

g) issue a code of practice relating to:

   the performance by the BTPA of any of its functions (s47 RTSA), and

   the performance by the Chief Constable of any of their functions (s48 RTSA);

h) make regulations about the treatment by BTPA of a person who is or was a constable of the BTP and is or was engaged in service outside the BTP of a specified kind (s49 RTSA)

i) issue a direction to the BTPA:

   i. setting objectives for policing the railways during a financial year (s51 RTSA),

   ii. requiring it to set a target in relation to the achievement of an objective set under section 51 RTSA (s53 RTSA),

   iii. specifying factors (‘performance indicators’) by reference to which the BTPA’s performance in exercising functions can be measured and specifying standards (‘performance standards’) to be met by the BTPA in relation to performance indicators (s54 RTSA), and

   iv. requiring it to specify performance indicators in relation to functions, set targets for the performance of functions (‘performance targets’) and set a plan of action to be taken for the purposes of meeting a performance target (s54 RTSA);

j) issue guidance to the BTPA and Chief Constable as to the matters to be contained in any three-year strategy plan and the form to be taken by any such plan, and revise and modify that guidance from time to time (s55 RTSA);

k) make regulations about the procedure to be followed for the submission of any three year strategy plan or modifications to that plan (s55 RTSA);

l) issue a direction requiring the BTPA to submit a report on specified matters connected with the performance of its functions (s58 RTSA);

m) require the Chief Constable to supply information about matters relating to crime committed on or in connection with the railways (s59 RTSA);

n) appoint a person to inquire into a matter connected with BTP and direct that the BTPA pay all or part of the costs incurred by that person in connection with that inquiry (ss 60 and 61 RTSA);

o) issue guidance about the BTPA's obligation to consult on the policing of the railways (s62 RTSA);

p) direct the BTPA to:

    i. take specified measures for the purpose of remedying a deficiency identified in a report of an inspection carried out under s63 RTSA (s65 RTSA), and

    ii. submit a plan of action to be taken to remedy those deficiencies (s66 RTSA)

q) delegate to the chief inspector of constabulary and fire and rescue services the function of:

    i. making appointments under Part 3 RTSA, or

    ii. giving consent for the Deputy Chief Constable or an assistant Chief Constable to perform the Chief Constable's functions under ss22(4) and 23(4) RTSA (s67 RTSA);

r) dismiss a member of the BTPA in specified circumstances (Sch 4 para 3 RTSA)

s) set the budget for the BTPA if immediately before a financial year the BTPA has not done so (Sch 4 para 19 RTSA)

t) by order vary the terms or arrangements relating to the operation of a pension scheme (Sch 4 para 24 RTSA)

u) make payment to the BTPA by way of grant or loan (Sch 4 para 27)

Appointments to the BTPA board

4.5 The Chief Executive of the BTPA shall be appointed by the BTPA under Schedule 4 paragraph 11(b) RTSA.

4.6 The Secretary of State shall have the following appointment and approval rights in relation to the BTPA's Board:

a) the duty to appoint a Chair (Sch 4 paras 4 and 6 RTSA);

b) the power to appoint a deputy Chair (Sch 4 paras 5-6 RTSA);

c) the duty to appoint members to the BTPA (Sch 4 para 1 RTSA);

d) the power to dismiss a member of the BTPA if:

   i. he is absent from meeting of the BTPA during a period of more than three months without permission of the BTPA,

   ii. he is convicted of an offence, or

   iii. the Secretary of State thinks that the member is unable, unfit or unwilling to perform his functions as a member (whether because of illness or otherwise) (Sch 4 para 3 RTSA);

e) the ability to terminate a member's appointment in accordance with the terms of their appointment letter.

4.7 The above appointments are subject to the Public Appointments Order in Council and as such must comply with the Governance Code on Public Appointments.

4.8 All such appointments should have regard to the principle that appointments should reflect the diversity of the society in which we live, and appointments should be made taking account of the need to appoint boards which include a balance of skills and backgrounds.

4.9 All such appointments should have regard to Schedule 4 paragraph 2 RTSA which requires that:

a) as far is reasonably practicable the membership of the BTPA should include:

   i. at least four persons who have knowledge and experience in relation to the interests of persons travelling by railway

   ii. at least four persons who have knowledge and experience in relation to the interests of persons providing railway services

   iii. a person who has knowledge and experience in relation to the interests of employees of persons providing railway services

iv. a person who has knowledge of the interests of persons in Scotland and who is appointed following consultation with the Scottish Ministers

v. a person who has knowledge of the interests of persons in Wales and who is appointed following consultation with the Senedd Cymru

vi. a person who has knowledge of the interests of persons in England

b) regard should be had to the desirability of appointing persons who have experience of and shown capacity in relation to matters relevant to the policing of the railways (Sch 4 para 2 RTSA).

4.10 A person that meets any of the criteria set out in Schedule 4 paragraph 7 RTSA shall not be eligible for appointment whilst they continue to satisfy that criteria (Sch 4 para 7 RTSA).

Other Ministerial powers and responsibilities

4.11 The Secretary of State is also responsible for:

a) keeping Parliament informed about the performance of the BTPA.

b) the policy framework within which the BTPA operates

c) matters regarding spending approvals, acquisitions, disposals, and joint ventures in line with delegations as set out in the delegation letter

d) such other matters as may be appropriate and proportionate

The Principal Accounting Officer

4.12 The Principal Accounting Officer (PAO) is the Permanent Secretary of the Department.

PAO's specific accountabilities and responsibilities

4.13 The PAO of the Department designates the Chief Executive as the BTPA's Accounting Officer (AO) and ensures that they are fully aware of their responsibilities. The PAO issues a letter appointing the AO, setting out their responsibilities and delegated authorities.

4.14 The respective responsibilities of the PAO and AOs for ALBs are set out in Chapter 3 of MPM.

4.14 The PAO is accountable to Parliament for the issue of any grant-in-aid to the BTPA.

4.15 The PAO is also responsible, usually via the sponsorship team, for advising the Secretary of State on:

a) an appropriate framework of objectives and targets for the BTPA in the light of the department's wider strategic aims and priorities

b) how well the BTPA is achieving its strategic objectives and whether it is delivering value for money.

c) the exercise of the Secretary of State' statutory responsibilities concerning the BTPA as outlined above.

4.16 The PAO via the sponsorship team is also responsible for ensuring arrangements are in place in order to:

a) monitor the BTPA's activities and performance

b) address significant problems in the BTPA, making such interventions as are judged necessary

c) periodically and at such frequency as is proportionate to the level of risk carry out an assessment of the risks both to the department and the BTPA's objectives and activities in line with the wider departmental risk assessment process

d) inform the BTPA of relevant government policy in a timely manner

e) where the PAO becomes aware of ministerial or departmental concerns about the activities of the BTPA or BTP, they will delegate to their team in the first instance, who will engage with the CEO to resolve those concerns. If the concerns remain unresolved, the PAO shall express those concerns in writing to the BTPA Chair and/or BTPA CEO to request assurances that appropriate action will be taken. The BTPA Chair and/or BTPA CEO shall provide a written reply for consideration by the PAO and/or the departmental Board.

The role of the sponsorship team

4.17 The Sponsor team within the DfT Land Transport National Security division in the department is the primary contact for the BTPA. The responsible senior civil servant for this relationship is the Director General, Public Transport and Local Group. They are the main source of advice to the Secretary of State on the discharge of their responsibilities in respect of the BTPA. They also support the PAO on their responsibilities toward the BTPA.

4.18 Officials of the Department will liaise regularly with BTPA officials to review performance against plans, achievement against targets and expenditure against its DEL and AME allocations. The Sponsor team will also take the opportunity to explain wider policy developments that might have an impact on the ALB.

Resolution of disputes between the BTPA and department

4.19 Any disputes between the department and the BTPA will be resolved in as timely a manner as possible. The department and the BTPA will seek to resolve any disputes

through an informal process in the first instance. If this is not possible, then a formal process, overseen by the senior sponsor, will be used to resolve the issue. Failing this, the senior sponsor will ask the relevant policy Director General to oversee the dispute. They may then choose to ask the Permanent Secretary to nominate a non-executive member of the department's Board to review the dispute, mediate with both sides and reach an outcome, in consultation with the Secretary of State.

Freedom of information requests

4.20 Where a request for information is received by either party under the Freedom of Information Act 2000, or the Data Protection Act 1998 or 2018, the party receiving the request will consult with the other party prior to any disclosure of information that may affect the other party's responsibilities.

Reporting on risk and litigation

4.21 The BTPA shall provide a quarterly update to the sponsor on the existence of any active litigation of significance and any threatened or reasonably anticipated such litigation. As a general rule, ordinary run of the mill legal challenge or litigation such as any police force may be expected to receive on a routine basis will not be considered sufficiently significant to report under this provision. The parties acknowledge the importance of ensuring that significant legal risks are communicated appropriately to the sponsor in a timely manner.

4.22 In respect of each substantial piece of litigation involving the BTPA, the parties will agree a litigation protocol which will include specific provisions to ensure appropriate and timely reporting on the status of the litigation and the protection of legally privileged information transmitted to the sponsor to facilitate this. Until such time as a protocol is agreed, the parties will ensure that:

a) material developments in the litigation are communicated to the sponsor in an appropriate and timely manner

b) legally privileged documents and information are clearly marked as such

c) individual employees handling the legally privileged documents are familiar with principles to which they must adhere to protect legal privilege

d) circulation of privileged information within government occurs only as necessary

5. BTPA governance structure

The Chief Executive

Responsibilities of the ALB's chief executive as accounting officer

5.1 The Chief Executive as AO is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the BTPA. In addition, they should ensure that the BTPA as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in Box 3.1 of MPM. These responsibilities include the below and those that are set in the AO appointment letter issued by the PAO of the sponsor department.

Responsibilities for accounting to Parliament and the public

5.2 The Chief Executive's responsibilities to Parliament and the public include:

a) signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State outlined in Chapter 3 of Managing Public Money.

b) preparing and signing a Governance Statement covering corporate governance, risk management and oversight of any local responsibilities, for inclusion in the annual report and accounts

c) ensuring that effective procedures for handling complaints about the BTPA in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling are established and made widely known within the BTPA and published on gov.uk.

d) acting in accordance with the terms of MPM and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office

e) ensuring that as part of the above compliance they are familiar with and act in accordance with:

i. any governing legislation

ii. this framework document

f) any delegation letter issued to body as set out in paragraph 6.1

i. any elements of any settlement letter issued to the Department that is relevant to the operation of the BTPA.

ii. any separate settlement letter that is issued to the BTPA from the Department

g) ensuring they have appropriate internal mechanisms for monitoring, governance and external reporting regarding non-compliance with any conditions arising from the above documents

h) giving evidence, normally with the PAO, when summoned before the PAC on the BTPA's stewardship of public funds

Responsibilities to the Department for Transport

5.3 Responsibilities to the Department include:

a) establishing, in agreement with the Department, the BTPA's corporate and business plans in the light of the Department's wider strategic aims and agreed priorities

b) informing the Department of progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives

c) providing information as needed for the Department and Secretary of State to carry out their duties

d) ensuring that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion

Responsibilities to the Board

5.4 The Chief Executive is responsible for:

a) advising the BTPA Board on the discharge of their responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time

b) advising the BTPA Board on its performance compared with its aim[s] and objectives

c) ensuring that financial considerations are taken fully into account by the BTPA Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed

Managing conflicts

5.5 The Chief Executive should follow the advice and direction of the BTPA Board, except in very exceptional circumstances with a clear cut and transparent rationale for not doing so.

5.6 If the BTPA Board, or its Chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical the Chief Executive in their role as AO should reject that course of action and ensure that the BTPA Board have a full opportunity to discuss the rationale for that rejection.

5.7 Such conflicts should be brought to the attention of the PAO and the Secretary of State as soon as possible.

5.8 Furthermore, and if agreed with the Secretary of State, the AO must write a letter of justification to the chair of the BTPA Board setting out the rationale for not following the advice and recommendation of the BTPA Board and copy that letter to the Treasury Officer of Accounts.

5.9 If the Secretary of State agrees with the proposed course of action of the BTPA Board it may be appropriate for the Secretary of State to direct the AO in the manner as set out in MPM paragraph 3.6.6 onwards.

The Board

Composition of the Board

5.10 The BTPA Board will be in line with good standards of corporate governance and as set out in in the RTSA and in guidance as set out in Annex A. The role of the BTPA Board shall be to secure the maintenance of an efficient and effective police force to police the railways, and to deliver the objectives, in accordance with the purposes as set out above, their statutory, regulatory, common law duties and their responsibilities under this framework document. Detailed responsibilities of the BTPA Board shall be set out in

its terms of reference. Remuneration of the BTPA Board members will be disclosed in line with the guidance in the Government Financial Reporting manual (FReM).

5.11 The BTPA Board will consist of an odd number between 11 and 17 Members that have a balance of skills and experience appropriate to directing BTPA's business. For the BTPA Board, Members should, as well as satisfying its statutory composition set out at RTSA Schedule 4 Para 2, ideally have experience of corporate services such as HR, technology, property asset management, estate management, communications and performance management.

Board Committees

5.12 The BTPA Board may set up and delegate functions to committees where it would assist it with fulfilling its functions. As is detailed below at a minimum this should include an Audit and Risk Committee chaired by an appropriately qualified member of the BTPA Board.

5.13 While the BTPA Board may make use of committees to assist its consideration of appointments, succession, audit, risk and remuneration it retains responsibility for, and endorses, final decisions in all of these areas, unless the BTPA Board has explicitly granted decision-making powers to a Committee. The Chair should ensure that sufficient time is allowed at the BTPA Board for Committees to report on the nature and content of discussion, on recommendations, and on actions to be taken.

5.14 Where there is disagreement between the relevant Committee and the BTPA Board, adequate time should be made available for discussion of the issue with a view to resolving the disagreement.

5.15 The Chair should ensure the Committees are properly structured with appropriate terms of reference. The terms of each Committee should set out its responsibilities and the authority delegated to it by the BTPA Board. The Chair should ensure that committee membership is periodically refreshed and that individual members of the BTPA Board are not over-burdened when deciding the chairs and membership of committees.

Duties of the BTPA Board

5.16 The BTPA Board is specifically responsible for:

a) establishing and taking forward the strategic aims and objectives of the BTPA, consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State

b) providing effective leadership of the BTPA within a framework of prudent and effective controls which enables risk to be assessed and managed

c) ensuring the financial and human resources are in place for the BTPA to meet its objectives

d) reviewing management performance

e) ensuring that the BTPA Board receives and reviews regular financial and management information concerning the management of the BTPA

f) ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the BTPA Board or on the attainability of its targets, and determining the steps needed to deal with such changes and where appropriate bringing such matters to the attention of the Secretary of State and PAO via the executive team, sponsorship team or directly

g) ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the BTPA Board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds

h) ensuring that in reaching decisions, the BTPA Board takes into account guidance issued by the department

i) ensuring that as part of the above compliance they are familiar with:

   i. this framework document,

   ii. any delegation letter issued to the BTPA Board as set out in paragraph 6.1

   iii. any elements of any settlement letter issued to the Department that is relevant to the operation of the BTPA

   iv. any separate settlement letter that is issued to the BTPA Board from the Department

   v. that they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from the above documents and ensure that the chief executive and the BTPA Board as a whole act in accordance with their obligations under the above documents

j) demonstrating high standards of corporate governance at all times, including by using the independent audit committee to help the board to address key financial and other risks

k) appointing a Chief Executive and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive which give due weight to the proper management and use and utilization of public resources

l) putting in place mechanisms for independent appraisal and annual evaluation of the performance of the Chair by the members, taking into account the views of relevant stakeholders. The outcome of that evaluation should be made available to the Secretary of State

m) determining all such other things which the BTPA Board considers ancillary or conducive to the attainment or fulfilment by the BTPA of its objectives

5.17 The BTPA Board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control.

5.18 The BTPA Board should make a strategic choice about the style, shape and quality of risk management and should lead the assessment and management of opportunity and risk. The BTPA Board should ensure that effective arrangements are in place to provide assurance over the design and operation of risk management, governance and internal control in line with the Management of Risk – Principles and Concepts (The Orange Book)[3]. The BTPA Board must set up an Audit and Risk Assurance Committee chaired by an independent and appropriately qualified member to provide independent advice and ensure that the Department's Audit and Risk Assurance Committee are provided with routine assurances with escalation of any significant limitations or concerns. The BTPA Board is expected to assure itself of the adequacy and effectiveness of the risk management framework and the operation of internal control.

The Chair's role and responsibilities

5.19 The Chair is responsible for leading the BTPA Board in the delivery of its responsibilities. Such responsibility should be exercised in the light of their duties and responsibilities as set out in their appointment letter, the priorities in the Chair's letter issued to them by the sponsor team, the statutory authority governing the BTPA, this document and the documents and guidance referred to within this document. The Chair is also required to perform such functions as may be assigned to them by the Secretary of State (Sch 4 para 4 RTSA).

5.20 Communications between the BTPA's Board and the Secretary of State should normally be through the Chair.

5.21 The Chair is bound by the Code of Conduct for Board Members of Public Bodies[4], which covers conduct in the role and includes the Nolan Principles of Public Life[5].

5.22 In addition, the Chair is responsible for:

a) ensuring including by monitoring and engaging with appropriate governance arrangements that the BTPA's affairs are conducted with probity

b) ensuring that policies and actions support the Secretary of State's wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout the BTPA and BTP.

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[3] https://www.gov.uk/government/publications/orange-book

[4] https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies

[5] https://www.gov.uk/government/publications/the-7-principles-of-public-life

5.23 The Chair has the following leadership responsibilities:

a) formulating the BTPA Board's 'Strategic Priorities' ensuring that the BTPA Board, in reaching decisions, takes proper account of guidance provided by the Secretary of State or the department

b) promoting the efficient and effective use of staff and other resources

c) delivering high standards of regularity and propriety

d) representing the views of the BTPA Board to the general public

5.24 The Chair also has an obligation to ensure that:

a) the work of the BTPA Board and its members are reviewed and are working effectively including ongoing assessment of the performance of individual members with a formal annual evaluation and more in-depth assessments of the performance of individual members when being considered for re-appointment

b) that in conducting assessments that the view of relevant stakeholders including employees and the sponsorship team are sought and considered

c) that the BTPA Board has a balance of skills appropriate to directing its business, and communicating any skills gaps to the Sponsor team, and that all members including the Chair and Chief Executive continually update their skills, knowledge and familiarity with the BTPA to fulfil their role both on the BTPA Board and committees. This will include but not be limited to skills and training in relation to financial management and reporting requirements, risk management and the requirements of board membership within the public sector

d) members are fully briefed on terms of appointment, duties, rights and responsibilities

e) they, together with the other board members, receives appropriate training on financial management and reporting requirements and on any differences that may exist between private and public sector practice

f) the Secretary of State is advised of BTPA Board's needs when Board vacancies arise

g) there is a Board Operating Framework in place setting out the role and responsibilities of the Board consistent with the Government Code of Good Practice for Corporate Governance

Individual Board members' responsibilities

5.25 Individual Board members should:

a) comply at all times with the Code of Conduct for Board Members of Public Bodies, which covers conduct in the role and includes the Nolan Principles of Public Life as well as rules relating to the use of public funds and to conflicts of interest

b) demonstrate adherence to the 12 Principles of Governance for all Public Body Non-Executive Directors as appropriate[6]

c) not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations

d) comply with the Board's rules on the acceptance of gifts and hospitality, and of business appointments

e) act in good faith and in the best interests of the BTPA

f) ensure they are familiar with any applicable guidance on the role of public sector non-executive directors and boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government.

g) Ensure their use of social media is guided by the same standards and considerations as any public communication, whether spoken or written. Members are responsible for what they share online (for the avoidance of doubt, this includes statements, likes, comments, re-posts and photos) on any social media platform.

[6] https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds

6. Management and financial responsibilities and controls

Delegated authorities

6.1 The BTPA's delegated authorities are set out in an annual delegation letter. This delegation letter may be updated and superseded by later versions which may be issued by the Department in agreement with HM Treasury.

6.2 In line with MPM Annex 2.2 these delegations will be reviewed on an annual basis.

6.3 The BTPA shall obtain the Department's and where appropriate HM Treasury's prior written approval before:

a) entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the BTPA's annual budget

b) incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications

c) making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the Department

d) making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required

e) carrying out policies that go against the principles, rules, guidance and advice in MPM.

Spending authority

6.4 Once the budget has been approved by the BTPA Board (Sch 4 para 19 RTSA) and subject to any restrictions imposed by statute, this document and HM Treasury settlement or delegation letters and guidance, the BTPA shall have authority to incur expenditure approved in the budget without further reference to the Department, on the following conditions:

a) BTPA shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate

b) the BTPA shall comply with MPM regarding novel, contentious or repercussive proposals

c) inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed

d) the BTPA shall provide the Department with such information about its operations, performance, individual projects or other expenditure as the Department may reasonably require.

Banking and managing cash

6.5 All money received by the BTPA must be paid into a fund known as the British Transport Police Fund (Sch 4 paras 16 and 30 RTSA). All expenditure of the BTPA must be made from that fund (Sch 4 para 18 RTSA).

6.6 The AO is responsible for ensuring BTPA has a banking policy as set out in MPM and ensuring that policy is complied with.

6.7 The BTPA must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).

6.8 The BTPA should only hold money outside Government Banking Service accounts where a good business case can made for doing so and HM Treasury consent is required for each account to be established. Only commercial banks which are members of relevant UK clearing bodies may be considered for this purpose.

6.9 Commercial accounts where approved should be operated in line with the principles as set out in MPM.

Procurement

6.10 The BTPA shall ensure that its procurement policies are aligned with and comply with any relevant UK or other international procurement rules and in particular the Public Contracts Regulations 2015, Procurement Act 2023 and associated procurement regulations.

6.11 The BTPA shall establish its procurement policies and document these in a Procurement Policy and Procedures Manual.

6.12 In procurement cases where the BTPA is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the Department’s sponsor team.

6.13 Goods, services, and works should be acquired by competition. Proposals to let single-tender or restricted contracts shall be limited and exceptional, and a quarterly report explaining those exceptions should be sent to the Department.

6.14 Procurement by the BTPA of works, equipment, goods, and services shall be based on, a full option appraisal and value for money (VfM), i.e. the optimum combination and whole life costs and quality (fitness for purpose).

6.15 The BTPA shall:

a) engage fully with the Department and government-wide procurement initiatives that seek to achieve VfM from collaborative projects

b) comply with all relevant Procurement Policy Notes issued by Cabinet Office, the Department's own procurement and commercial policies and follow the Department's governance process

c) comply with the Department's Commercial Lifecycle Assurance Framework.

d) co-operate fully with initiatives to improve the availability of procurement data to facilitate the achievement of VfM

e) work collaboratively with the Department's Group Commercial Directorate to contribute information and data, as agreed between the Department and BTPA, to support the Department's Group Operating Model and other associated Group Commercial Strategies and objectives via the Group Commercial Board.

Contractual Delegations

6.16 Contractual delegation authority is the authority to sign, make or amend contractual commitments on behalf of BTPA. It is not the same as authority to financially commit BTPA to making payments from official budgets.

6.17 Contractual delegation authority allows a holder to approve the proposed method of procurement, the issuing of tenders and the award of contracts up to the value of the delegation. Contractual Authority is always subject to the availability of funds and the necessary financial and business case approval controls as referred to elsewhere.

6.18 There must be a clear separation between the contractual commitment on behalf of BTPA and any associated financial commitment. This means that the same person cannot exercise both a financial and contractual delegation for the same requirement.

6.19 By way of this Framework Document, Contractual Authority is delegated to the Chief Executive of BTPA, who has the authority to sub delegate where there is a business need. The Chief Executive may sub-delegate contractual authority in writing to any named individual member of staff.

6.20 Delegated authorities within the organisation must be clearly defined in a manual or equivalent instruction and must be consistent with any governance and regulatory

requirements set by HM Treasury or the Department. Contractual authority must be in line with the financial limits delegated on an annual basis and should not exceed this.

6.21 BTPA will ordinarily set out contractual delegations in the BTPA Code of Governance financial delegation tables.

Risk management

6.21 The BTPA shall ensure that the risks that the BTPA and BTP face are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy, in accordance with the Treasury guidance Management of Risk: Principles and Concepts[7].

Fraud, bribery and corruption

6.22 The BTPA should adopt and implement policies and practices to safeguard itself against fraud, bribery and corruption.

6.23 The BTPA should act in line with guidance as issued by the Public Sector Fraud Authority (PSFA) and in compliance with the procedures and considerations as set in in MPM Annex 4.9 and the Counter Fraud Functional Standard[8]. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter a contract or to provide grant or grant-in-aid.

6.24The BTPA should keep records of and prepare and forward to the department an annual report on fraud, bribery and corruption suffered by the BTPA and notify the sponsor department of any unusual or major incidents as soon as possible. The BTPA should also report detected loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the counter PSFA in line with the agreed government definitions as set out in Counter Fraud Functional Standard.

Staff

6.25 The BTPA will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:

a) the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit; there is no discrimination against employees with protected characteristics under the Equality Act 2010

[7] http://www.hm-treasury.gov.uk/orange_book.htm

[8] https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud

b) the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness

c) the performance of its staff at all levels is satisfactorily appraised and the BTPA performance measurement systems are reviewed from time to time

d) its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the BTPA's objectives

e) proper consultation with staff takes place on key issues affecting them

f) adequate grievance and disciplinary procedures are in place

g) whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place

h) a code of conduct for staff is in place based on the BTPA Code of Governance[9].

Staff costs

6.27 Subject to its delegated authorities, the BTPA shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

6.28 The BTPA have the flexibility to determine pay for its employees within any general pay structure approved by the sponsor department and the Treasury. For BTP officers, the Authority will normally follow the Home Office police pay awards, consistent with the Wright Committee 1979 determination that BTP officers maintain pay parity with Home Office forces. For police staff, the Authority has consistently aligned pay awards with those of officers. Any departure from these approaches should be discussed with the Department. The BTPA has no delegated power to amend these terms and conditions. By virtue of Schedule 4 paragraph 33(1) RTSA membership of or employment by the BTPA is not employment in the civil service of the State.

6.29 If civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code and the annual Civil Service Pay Remit Guidance, except where prior approval has been given by the department to vary such rates.

[9] https://btpa.police.uk/wp-content/uploads/2024/10/BTPA-Code-of-Governance-October-2024.pdf

6.30 Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the Department together with subsequent amendments.

6.31 The BTPA shall abide by public sector pay controls, including the relevant approvals process dependent on the organisation's classification as detailed in the Senior Pay Guidance[10] and the Public Sector Pay and Terms Guidance[11].

6.32 If the BTPA operates a performance-related pay scheme [as part of the annual aggregate pay budget approved by the Department], [general pay structure approved by the Department and the Treasury], the scheme will have due regard to the Senior Pay Guidance.

6.33 The travel expenses of the BTPA members shall be tied to the rates allowed to senior staff of the BTPA. Reasonable actual costs shall be reimbursed.

6.34 The BTPA must publish arrangements for making payments to current or former members in respect of remuneration, allowances, expenses, compensation or gratuity. Those arrangements must be approved by the Secretary of State (Sch 4 para 21 RTSA).

6.35 The BTPA may make payments to:

a) current or former staff in respect of remuneration, allowances, expenses, compensation or gratuity (Sch 4 para 22 RTSA), and

b) anyone who is or has been a constable, cadet or civilian employee of the BTP in accordance with the terms of that person's appointment and subject to any provisions under the RTSA (Sch 4 para 23 RTSA)

Pensions, redundancy and compensation

6.36 Where relevant, compensation scheme rules and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.

6.37 BTPA staff shall normally be eligible for a pension provided either through the Railways Pension Scheme (specifically the British Transport Police Force Superannuation Fund or the British Transport Police Section), or through the BTPA Group Personal Pension Plan, as appropriate. Staff may opt out of the occupational pension scheme provided by the BTPA, but that employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.

[10] https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward
[11] https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note

6.38 Any proposal by the BTPA to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the Department. Proposals on severance must comply with the rules in chapter 4 of MPM.

7. Business plans, financial reporting and management information

Corporate and business plans

7.1 The BTPA shall submit annually to the Department a draft corporate plan (known as the “three year strategy plan” covering three years ahead, as referenced in s55 RTSA 2003. The BTPA shall agree with the department the issues to be addressed in the plan and the timetable for its preparation.

7.2 The first year of the three year strategy plan shall form the BTPA’s business plan (known as the “annual policing plan”), as referenced in s52 RTSA 2003. The annual policing plan shall set out the BTPA’s priorities for the financial year of the three-year strategy plan to which it relates.

7.3 The three year strategy plan and annual policing plan shall be published by the BTPA on its website and separately be made available to BTPA staff.

7.4 The following key matters should be included in the three-year strategy plan:

a) key objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives

b) alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast

c) other matters as agreed between the department and the BTPA

7.5 The following key matters should be included in the annual policing plan:

a) key non-financial performance targets

b) a review of performance in the preceding financial year, together with comparable outturns for the previous 2-5 years, and an estimate of performance in the current year

Budgeting procedures

7.6 Each year, the BTPA shall set an annual budget, taking into account any specific direction issued by the Secretary of State regarding the BTPA's objectives and/or performance targets, and provide a statement of such budget to the Department (the agreed net budget). The Department will send a statement of any planned change in policies affecting the BTPA

7.7 When setting its budget, the BTPA shall have regard to any impact on the Department's DEL and shall restrict such impact to limits agreed to the Department.

7.8 The annual policing plan shall take account both of funding provision and forecast receipts. It shall include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and/or other income over the year.

Grant in aid and any ring-fenced grants

7.9 Any grant-in-aid provided by the Department for the year in question will be voted in the Department's Supply Estimate and be subject to parliamentary control.

7.10 The grant-in-aid will normally be paid in monthly instalments on the basis of written applications showing evidence of need. The BTPA will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the BTPA. Grant-in-aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the Department will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.

7.11 In the event that the Department provides the BTPA separate grants for specific (ring-fenced) purposes, it would issue the grant as and when the BTPA needed it on the basis of a written request. The BTPA would provide evidence that the grant was used for the purposes authorised by the Department. The BTPA shall not have uncommitted grant funds in hand, nor carry grant funds over to another financial year.

Annual reports and accounts

7.12 The BTPA must publish an annual report about the policing of the railways together with its audited accounts after the end of each financial year. The BTPA shall provide the Department with its finalised (audited) accounts prior to summer recess each year in order for the accounts to be consolidated within the Department for Transport's. A draft of the report should be submitted to the Department two weeks before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the Department as well as the Treasury's Financial Reporting Manual (FReM).

7.13 The annual report must:

a) cover any corporate, subsidiary or joint ventures under its control

b) in particular have regard to the illustrative statements for an NDPB[12]in the FrEM

c) outline the BTPA's main activities and performance during the previous financial year and set out in summary form forward plans.

7.14 Information on performance against key targets is included within the annual report and subject to the auditor's consistency opinion. The report and accounts shall be laid in Parliament and made available on the BTPA website, in accordance with the guidance in the FReM.

Reporting performance to the Department

7.15 The BTPA shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the three-year strategy plan and policing plan for the given financial year.

7.16 The BTPA shall inform the Department of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver the Secretary of State's policies, and the achievement of key objectives regularly. As well as monthly finance reports, the BTPA shall in addition share quarterly reports from its Committees with the Department on request.

7.17 The BTPA's performance shall be formally reviewed by the Department at least once a year.

7.18 The responsible Minister will meet the Chair and Chief Executive once a year.

7.19 The PAO will meet the Chief Executive at least once a year.

Information sharing

7.20 The Department has the right of access to all BTPA records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

7.21 The BTPA shall provide the Department with such information about its operations, performance, individual projects or other expenditure as the Department may reasonably require.

7.22 The Department and HM Treasury may request the sharing of data held by the BTPA in such a manner as set out in central guidance except insofar as it is prohibited

[12] https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21

by law. This may include requiring the appointment of a senior official to be responsible for the data sharing relationship.

7.23 As a minimum, the BTPA shall provide the Department with information monthly that will enable the Department satisfactorily to monitor:

a) the BTPA's cash management

b) its draw-down of grant-in-aid

c) forecast outturn by resource headings

d) other data required for the Online System for Central Accounting and Reporting (OSCAR)

e) data as required in respect of its compliance with any Cabinet Office Controls pipelines or required in order to meet any condition as set out in any settlement letter

8. Audit

Internal Audit

8.1 The BTPA shall:

a) ensure that any arrangements for internal audit are in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury[13].

b) ensure the Department is satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with PSIAS

c) set up an Audit and Risk Assurance Committee of its Board in accordance with the Code of Good Practice for Corporate Governance and the Audit and Risk Assurance Committee Handbook and be represented by the sponsor team at the Department's Audit Committee.

d) forward the audit strategy, periodic audit plans and annual audit report, including the BTPA's Head of Internal Audit opinion on risk management, control and governance as soon as possible to the Department

e) keep records of and prepare and forward to the Department an annual report on fraud and theft suffered by the BTPA and notify the Department of any unusual or major incidents as soon as possible

f) share with the Department information identified during the audit process and the Annual Audit Opinion Report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the BTPA.

[13] https://www.gov.uk/government/publications/public-sector-internal-audit-standards

External audit

8.2 The BTPA must publish an annual report of its activities and, in particular the policing of the railways, together with its audited accounts as soon as is reasonably practicable after the end of each financial year.

8.3 The Comptroller & Auditor General (C&AG):

a) will consult the Department and the BTPA on whom – the NAO or a commercial auditor – shall undertake the audit(s) on his behalf, though the final decision rests with the C&AG.

b) has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the BTPA.

c) will share with the Department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the BTPA.

d) will consider requests from departments and other relevant bodies to provide regulatory compliance reports and other similar reports at the commencement of the audit. Consistent with the C&AG's independent status, the provision of such reports is entirely at the C&AG's discretion

e) may carry out examinations into the economy, efficiency and effectiveness with which the BTPA has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the BTPA shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

9. Reviews and winding up arrangements

Reviews of BTPA's status

9.1 The BTPA will be reviewed as part of the wider Department's Public Bodies Reviews programme, at a time determined by the Secretary of State and their PAO.

Arrangements in the event that the BTPA is wound up

9.2 The Department shall put in place arrangements to ensure the orderly winding up of the BTPA. In particular it should ensure that the assets and liabilities of the BTPA are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the Department.) To this end, the Department shall:

a) have regard to Cabinet Office guidance on winding up of ALBs[14]

b) ensure that procedures are in place in the BTPA to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body

c) specify the basis for the valuation and accounting treatment of the BTPA's assets and liabilities

d) ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that, for non-Crown bodies funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts

e) arrange for the most appropriate person to sign the closing accounts. In the event that another ALB takes on the role, responsibilities, assets and liabilities, the succeeding ALB AO should sign the closing accounts. In the event that the

14 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690952/Public_Bodies_-_a_guide_for_departments_-_chapter_10.pdf

Department inherits the role, responsibilities, assets and liabilities, the Department's AO should sign

9.3 The BTPA shall provide the Department with full details of all agreements where the BTPA or its successors have a right to share in the financial gains of developers. It should also pass to the Department details of any other forms of claw-back due to the BTPA.

Annex A: Guidance

The BTPA shall comply with the following guidance, documents and instructions:

Corporate governance

- This framework document
- Corporate Governance Code for Central Government Departments (relevant to Arm's Length Bodies) and supporting guidance: https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017
- Code of conduct for Board members of Public Bodies: https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies
- Code of practice for partnerships between Departments and Arm's Length Bodies: https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice#:~:text=This%20code%20of%20good%20practice,partnership%20approach%20to%20shaping%20relationships

Financial management and reporting

- Managing Public Money (MPM): https://www.gov.uk/government/publications/managing-public-money
- Government Financial Reporting Manual (FReM): www.gov.uk/government/collections/government-financial-reporting-manual-frem
- Relevant Dear Accounting Officer (DAO) letters: www.gov.uk/government/collections/dao-letters
- Relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts: https://www.gov.uk/government/collections/whole-of-government-accounts

- The most recent letter setting out the delegated authorities, issued by the parent department.

Management of risk

- Management of Risk: www.gov.uk/government/publications/orange-book and https://www.gov.uk/government/publications/management-of-risk-in-government-framework

- Public Sector Internal Audit Standards: www.gov.uk/government/publications/public-sector-internal-audit-standards

- HM Treasury approval processes for Major Projects above delegated limits: https://www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects

- The Government cyber-security strategy and cyber security guidance: https://www.gov.uk/government/publications/national-cyber-strategy-2022/national-cyber-security-strategy-2022 and https://www.gov.uk/government/collections/cyber-security-guidance-for-business

Commercial management

- Procurement Policy Notes: https://www.gov.uk/government/collections/procurement-policy-notes

- Cabinet Office spending controls: https://www.gov.uk/government/collections/cabinet-office-controls

- Transparency in supply chains - a practical guide: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040283/Transparency_in_Supply_Chains_A_Practical_Guide_2017_final.pdf

Public appointments

The following are relevant where public bodies participate in public appointments processes.

- Guidance from the Commissioner for Public Appointments: https://publicappointmentscommissioner.independent.gov.uk/

- Governance Code on Public Appointments: www.gov.uk/government/publications/governance-code-for-public-appointments

- Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees: https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees

Staff and remuneration

- HM Treasury guidance on senior pay and reward: www.gov.uk/government/publications/senior-civil-service-pay-and-reward
- Civil Service pay guidance (updated annually): www.gov.uk/government/collections/civil-service-pay-guidance
- Public sector pay and terms: https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note
- Whistleblowing Guidance and Code of Practice: https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers
- The Equalities Act 2010: www.gov.uk/guidance/equality-act-2010-guidance
- Public Sector Exit Payment Guidance on Special Severance Payments - Public Sector Exit Payments Guidance on Special Severance Payments - GOV.UK

General

- Freedom of Information Act guidance and instructions: www.legislation.gov.uk/ukpga/2000/36/contents and https://ico.org.uk/for-organisations/guide-to-freedom-of-information/
- The Parliamentary and Health Service Ombudsman's Principles of Good Administration: https://www.ombudsman.org.uk/about-us/our-principles
- Other relevant instructions and guidance issued by the central Departments (Cabinet Office and HM Treasury)
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and are relevant to [the ALB].
- Guidance from the Public Bodies team in Cabinet Office: www.gov.uk/government/publications/public-bodies-information-and-guidance
- The Civil Service diversity and inclusion strategy (outlines the ambition, to which Arm's Length Bodies can contribute): https://www.gov.uk/government/publications/civil-service-diversity-and-inclusion-strategy-2022-to-2025

- Guidance produced by the Infrastructure and Projects Authority (IPA) on management of major projects: www.gov.uk/government/organisations/infrastructure-and-projects-authority

- The Government Digital Service: www.gov.uk/government/organisations/government-digital-service

- The Government Fraud, Error, Debt and Grant Efficiency function; www.gov.uk/government/collections/fraud-error-debt-and-grants-function and www.gov.uk/government/publications/grants-standards

- Code of Practice for Official Statistics: https://code.statisticsauthority.gov.uk/#:~:text=The%20Code%20of%20Practice%20for%20Statistics%20sets%20the,produced%20by%20people%20and%20organisations%20that%20are%20trustworthy

- Accounting Officer System Statements (AOSS are produced by departments with input from ALBs): www.gov.uk/government/publications/accounting-officer-system-statements