

**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) FIRE & RESCUE MEETING held on Wednesday 23 June 2021  
(Virtual meeting held on MS Teams due to Covid19)**

Note: this meeting replaced the meeting scheduled for the 26 May 2021

**Present:**

ETAP members	Officers
Alan Edwards (AE)	Jean Cass - SCO Governance Lead (JC)
Bob Simpson (BS) Chair	Victoria Farrar - SCO Head of Governance and Assurance (VF)
Craig Brown (CB)	
Jane Barr (JB)	<b>Fire Officers</b>
Jane King (JK)	Rob Barber - Deputy Chief Fire Officer (RB)
John Wheatley (JW)	David Greensmith - FARS Director of Finance (DG)
	Corrina Bradley - Deputy Chief Finance Officer (CBR)
Sue Westacott (SW)	<b>Also in attendance:</b>
	Mark Stocks - Partner Grant Thornton (MS)
	Angela Ward - Senior Audit Manager RSM (AW)
<b>SCO - Staffordshire Commissioner's Office</b>	
<b>Force - Staffordshire Police Force</b>	
<b>FARS - Staffordshire Fire and Rescue Service</b>	

BS advised that following the ETAP Annual Election of Chairs at the ETAP Public Police meeting, BS confirmed that he will continue in the Chair's role and AE and JK will continue in their respective Deputy Chair's roles.

BS offered BB & RB copies of the ETAP Annual report and requested that these will be sent by JC.

**1. Declaration of interests and apologies.**

Declarations of Interest: - No Declarations of Interest were received.

Apologies: ETAP members Emma Christmas (EC) & Sue Finney (SF), Glynn Dixon - SCO Chief Executive (GD), Becci Bryant - Chief Fire Officer (BB), Sarah Jassal - Audit Manager Grant Thornton (SJ.)

Minutes & actions of the meeting held on the 10 February 2021

Minutes of Previous Meeting

**AGREED** - That the minutes of the meeting held on the 10 February 2021 to be confirmed as an accurate and true record.

## Actions

### Updates to actions from previous meetings

- Item 1 Penetration testing – Internal audit recommendation, CBR advised that relating to the testing, the Information Security Officer is currently in conversation with the supplier to arrange this. She also advised the meeting that the level of testing was greater than that used by other Fire Services. This testing should happen in the next 1-2 months.

<b>ACTION:</b> CBR to provide a written report on the history and explanation of the delays and hopefully the outcomes of penetration testing for the next ETAP meeting
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- Item 2 - To revisit the AGS document in early spring 2021 (carried forward June 2021) complete - VF advised that this is on the work plan for this year and will be looked at as soon as existing work flows allow.
- Item 3 - To provide details on a tracking procedure for audit/ETAP/Inspection recommendations (carried forward June 2021) complete on today's agenda under item 4.

## 2. Deputy Chair's Feedback

### i. Chair of the Finance Panel - Alan Edwards (AE)

AE presented a summary of the reports presented to the last Finance Panel meeting in May.

**Monthly Financial Monitoring**, at the meeting the Panel were presented with the final year end summary. This showed the a outcome was due in part to a lower pay award in the year The Finance Panel have started to look ahead have particular concerns around the risks on pay due to the financial constraints issued by the government and uncertainties relating to the Comprehensive Spending Review (CSR).

#### **Annual report and accounts**

Finance Panel have commented on achieving a common finance system across the two organisations and have asked for further details to be presented at the next meeting of the Finance Panel.

BS thanked AE for his update.

### ii. Deputy Chair of Thematic Reviews – Jane King (JK)

JK advised on the following updates:-

This report was written for the meeting in May. JK was able to give further updates since this report

**Covid report** – Members have met on Teams on the 18 June with representatives from the SCO, Force and FARS. The organisations all reported some good assurance on the work during Covid and in particular the support and provision for staff wellbeing. CB echoed that JK's comments that all the three meetings were very positive.

**Ethics and Review Panel** - following RB's presentation on the FARS Core Code of Ethics, JK will produce a short assurance report and this will be shared with all members.

JK advised that there will be a template developed with CB to prioritise ideas for reviews and reach recorded conclusions if topics will be examined or reasons for ERP not to proceed.. The intention is also to use of this template to document alternative actions on the different projects JK advised that the ERP are to practice on a couple of past reviews to test the validity of the new template.

Members agreed that, a standing item on the meeting agenda's for ERP, will be an internal review of future completed thematic. This will allow members to look for any lessons learnt from the process and make improvements where possible on any future reviews.

BS advised that he had a meeting with the Commissioner that morning and he was keen to see the work undertaken by the Panel reviewing the various Staffordshire organisations response and management to the Covid pandemic.

A copy of all ETAP thematic reviews published to date can be found on the SCO website <https://staffordshire-pfcc.gov.uk/transparency/etap>

BS thanked JK for her update

### **3. Police, Fire and Crime Panel (PFCP) (verbal feedback)**

Report from Monday's meeting this week will follow at the next ETAP meeting

### **4. Governance Highlight Report**

RB presented the report on behalf of BB

RB covered a few key areas from the report:-

Looking at areas for improvement from HMICFRS reports, a nine point plan has been development by Keele University. He agreed to share a copy of the work of the university at a future meeting of ETAP's Finance Panel.

Work on the Service 2025 plan has been shared with the Commissioner and a number of options have been discussed.

HMISFRS Covid inspection – the outcome concluded that the service has adapted during Covid and the service.

ETAP Thematic review Report, progress has been made against all of the recommendations in the report.

Grenfell Report - out of the 29 applicable actions from the report all or most have been completed. Phase 2 of the report is still outgoing and significant recommendations are expected to follow.

Q: BS advised that he is very pleased to see the report. Has the organisation found this report useful?

A: RB, yes the report it has given a focus on the recommendations and it has been a useful exercise to pull all these together in one report.

**ACTION:** JK to meet with FARS to pull together on action plan the first Grenfell report

Q: SW, asked how do the officers access training, is training in-house or has it been provided by an external supplier?

A: RB, advised that the training is over 12 months and is provided by an external provider.

Q: SW are the training providers common to the FARS industry?

A: RB, yes there are a number of providers now from across the country.

Q: CB, Brexit risks, have any risks emerged?

A: RB, no significant risks which have evolved, this is thanks to all of the good preparations which allowed FARS to mitigate against the possible risks.

Q: CB, is the training plan linked to any promotions?

A: RB, there are no guaranteed promotions following the training plan.

Q: AE, could you comment please on the development of Strategy and Intelligence Team and is Keele University looking for examples from across the country?

A: RB, it is early days for the Strategy and Intelligence Team, this has been compiled of colleagues from across the Fire Service and is currently work in progress. Keele are working on a specific piece of work for Staffordshire on call only.

Q: JK, the delivery of the Emergency Service Network (ESN) risk, do you have any controls over this risk?

A: RB, no FARS has no influence over the delivery of the Emergency Service network (ESN). This is a national project and will remain a high risk for a number of years.

BS thanked for RB for the update.

## **5. Staffordshire Fire and Rescue Draft Statement of Accounts 2020/21**

DG passed his thanks on to CBR and the Finance Team for all their hard work getting the accounts ready for today's presentation and the audit by Grant Thornton.

DG presented the key aspects of the draft accounts ahead of their audit next week.

DG advised that they have reviewed, scrutinised and challenged a number of assumptions and will be discussing these further with Grant Thornton auditors as part of the audit process.

The collection fund figures are outstanding from the billing authorities - these will be added to the accounts when they are received

The big impact on the accounts this year has been the Pensions liabilities. This has increased by £51.6m with total pension liability now standing at £515m. This has moved due to the

discount rate which has reduced, this variation alone has been resulted in an increase of approx. £25m.

BS & DG confirmed for clarity that the £51.6m pension liability scheme, is not funded by the Staffordshire Fire Service, the majority of the liability is funded nationally by the Government.

DG advised that the external audit will be starting on site next week four days a week.

DG added that is anticipated that the final accounts will be available for the next ETAP meeting on the on 27 September.

AE commented that following the Commissioner words in the accounts there needs to be narrative from the Chief Fire Officer.

DG, advised that he will speak to the Commissioner about the wording in the accounts and will look to incorporate a narrative from the Chief Fire Officer

VF commented that looking at the SCO's AGS, we have included an update from the previous commissioner and a narrative from the new commissioner.

**ACTION: DG and VF to look at adding appropriate narrative to the accounts**

BS thanked DG for his presentation of the draft accounts.

## **6. Internal Audit – presented by Angela Ward**

### **i. Follow up report**

Of the 15 recommendations in the follow report:-

4 - Have been implemented

1- Is not yet due

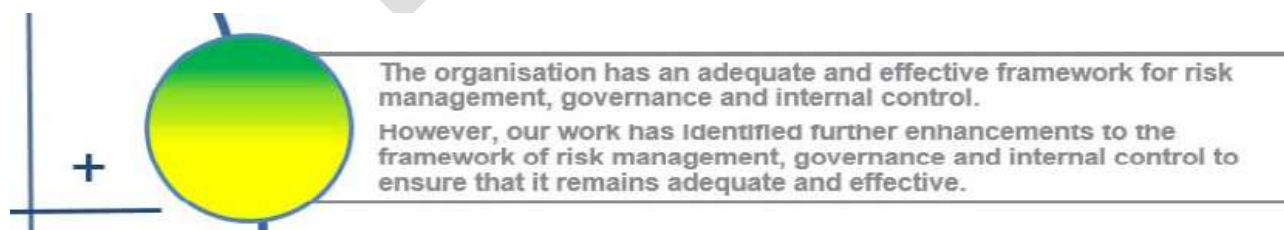
1- Was superseded.

9 have being implemented at the time of the review

BS good to see that internal audit are following up on recommendations

### **ii. Annual Report 2020/21**

This is the first annual opinion from RSM on the Staffordshire Fire Service and this is a positive opinion



Members agreed this is reasonable opinion to make.

BS, this is a good result and the panel are now getting assurance from Internal Audit.

### **iii. Update Report May 2021**

AW advised that the IT review has not been scoped and is just to start week commencing 9<sup>th</sup> August.

The next report to ETAP in September will be more meaningful.

BS thanked AW for her updates.

## **7. External Audit**

MS presented the audit plan for 2020/21

### **i. Audit Plan 2020/21**

MS confirmed that the Grant Thornton's Audit team are due to start on site next week.

MS presented the audit plan which highlighted the areas of work that is being covered by the audit.

MS advised that FARS is a well-run authority with the turnover and general funding being well is under control.

Looking at risk areas to be covered:-

- Fraud areas - these areas are tested but there have previously been no areas of concern here.
- Presumed risk of management override of control - this area looks at accounting policies and possible manipulation of finance estimates.
- Pension Liabilities – the Fire Fighters scheme now stands at a significant sum at £500m, with the majority of this area being funded directly by the government. The LGPS scheme is funded through local council tax and business rates and needs to be constantly monitored.
- The valuation of land and building is a large estimate within the accounts.

Page 13/14 Value for Money, the code has changed this year and now the auditors are requested to look into more detail in this area.

Q: BS, the VFM will there be a separate report to the accounts and will these be published separately?

A: MS, the National Audit Office (NAO) has extended the deadline for the Annual Auditors Report and the VFM statement for this year only to the end of December.

Q: BS, what dates are you working to for the publication of the opinion and VFM statement?

A: MS, the Annual Auditors Report with the opinion is going to be published at the end of September, but for the publication of the VFM statement, may be delayed and published later by the end of December.

Q: AE, looking at the Audit team, what experience does the team have?

A: MS, SJ has been with the organisation for 5/6 months so far and has experience of working in the NAO. Lisa has worked with MS for over 15 years and has experience of internal audit work and fire authorities.

MS advised that the accounts will be finalised for presentation to next ETAP meeting on the 27 September.

ii. PSA informing the audit risk assessment

Members thanked Grant Thornton for this useful document.

## **8. AOB**

**Date of the next meeting is Monday 27 September**