



Draft V02

Item 1

**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) POLICE
& CRIME MEETING held on Wednesday 27 October 2021
Conference Room 1, Block 7, Police HQ**

Present:

ETAP members	Officers
Alan Edwards (AE)	Emma Barnett - T/Chief Constable
Bob Simpson (BS) Chair	John Bloomer - Force Chief Finance Officer (JBL)
Craig Brown (CB)	Deb Wilne - Force Governance, Planning & Policy Manager (DW)
Jane Barr (JB)	Glynn Dixon - SCO Chief Executive (GD)
Jane King (JK)	Victoria Farrar - SCO Head of Governance and Assurance (VF)
John Wheatley (JW)	David Greensmith - SCO Director of Finance (DG)
Sue Finney (SF)	Jean Cass - SCO Governance Lead (JC)
Ben Thompson (BT)	
Terry Stock (TS)	Also in attendance
Martyn Rochelle (MR)	Neil Harris - EY Associate Partner (NH)

SCO - Staffordshire Commissioner's Office
Force - Staffordshire Police Force

1. Declaration of interests, apologies, minutes and actions.

i. Declarations of Interest: None

Apologies: Emma Christmas (EC), Sue Westacott (SW) ETAP members. Justin Bibby T/Deputy Chief Constable (JB), Justine Kenny, Force Director of People and Resource (JKE), Angela Ward Senior Audit Manager (AW) and Daniel Harris Partner (DH) from RSM Internal Auditors.

BS welcomed three new ETAP members to the meeting today, Martyn Rochelle (MR), Terry Stock (TS) and Ben Thompson (BT). BS also welcomed Neil Harris (NH) to the meeting. NH is the new Associate Partner in charge of the external audit of Statutory accounts.

Minutes & actions of the meeting held on the 26 May

AGREED - That the minutes of the meeting held on the 26 May 2021, to be confirmed as an accurate and true record.
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Updates to actions from previous meetings

Item 1 - JKE to share the capital monitoring process on a scheme by scheme basis at future Finance Panel meeting – picked up by Finance Panel - complete.

Item 2 - BS, AE will continue conversations regarding the External Audit with DG, JBL and HH outside of today's meeting – on today's agenda - complete.

2. Deputy Chair's feedback

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

AE gave a verbal presentation at the meeting.

AE advised that the Finance Panel held a meeting in September and received a review of the financial performance for period 4 and a verbal update for period 5. The finances are in good shape and are following a similar pattern to last year with a £4m underspend and a financial outturn of circa £400k underspend. The group's saving target has been virtually achieved at the early part of the year which is good news.

The main concern of the Panel is not spending money, in particular the IT programme where in the Period 4 report, with only 2% of the budget has been spent and only 5% of the budget being committed. The Panel were concerned what the impact this will have on efficiency, effectiveness, business change and the policing operating model.

The Panel discussed the Going Concern Assessment. The Panel thought that this was a good report and helpful for those charged with governance. Two areas of previous concern of the Panel were included in the report. Reserves have moved from £20m to £28m and there has been a reduction in the external debt since 2012, both were welcome results to the Panel. The assessment concluded that the group is a 'going concern'.

The Panel received the SCO Risk Report and AE highlighted three main areas of concern; a) Origin finance system, b) links to wider IT support concern post Boeing and c) long-term worry over emergency services mobile communications.

The Panel were disappointed over the delay in the start of the external audit on the Statutory Accounts, this is now delayed again until January 2022.

The Panel also discussed the PSAA consultation document and concluded that a single auditor should be looked for to cover both services for Staffordshire Police and Fire.

Q; MR, looking at the IT spend, can the underspends be carried forward?

A; JB, the spend is not restricted and is carried forward to the following year.

EB, the concerns around IT will be explored during the internal audit and the emergency services network remains a nationally risk which is monitored by a Force Gold Group on a regular basis.

BS thanked AE for his update.

ii. Chair of the Ethics & Review Panel - Jane King (JK)

JK advised that ETAP members are currently working in the following areas:-

Police Complaints

JK advised that the findings of the report have now been published on the SCO website.

JB, who led the report Team, advised that there were delays in the review due to the logistics of getting on site to the samples of complaints. Once on site, the Officers involved in the process were very helpful answering all of their questions.

The Team found that the processes were being followed to the agreed methodology, the process was well managed and transparent and the Team overall found assurances that the system was well managed.

The Team made a list of nine topics for possible improvements which the Force are working their way through.

Q:TS, are complaints monitored and results published?

A: EB, complaints are monitored both internally and externally and results are shared by the SCO office.

A copy of the complaints report can be found on the SCO website

[ETAP-Review-of-Staffordshire-Police-Complaints-FINAL.pdf \(staffordshire-pfcc.gov.uk\)](#)

Response to Covid19

JK advised that the report on Covid findings will be presented to SGB meeting in November. This report will then be published on the SCO website in October.

Q: JK, are there any impacts with officers carrying forward annual leave?

A: EB, there are challenges with leave restrictions due to the Force's commitment to COP26 in Scotland. It's this rather than the carried over leave due to Covid, it's a wider issue as well with the Force constantly reviewing its resources.

Other work of the panel

JK advised the panel has a presentation from the Professional Standard Department Colin Mattinson and a follow up meeting with Tracy Foster, who is currently acting up into Colin's role. Notes from this meeting will be produced and published on the SCO website for transparency.

JK advised that the ERP were pleased to hear that the Force's own Internal Ethics Panel has now been set up and has had its initial meeting. This is an advisory panel and it is also anticipated that attendees will become 'Ethical champions' around the force

The ERP now has 'Prioritisation' matrix in place to assess and prioritise when reviews to investigate.

EB would welcome assistance from ERP in the Force's response to their campaign 'Know the Line'. EB advised there could be a role for ETAP members in the external scrutiny of this work.

Q: SF, to what extent is monitoring the underspend is due to expenses not been able to be claim due to home working?

A: JBL, there were gains and losses as a result of Covid and the accounts give a fair reflection.

BS thanked JK & JB for their updates.

Action: JK, to investigate a review of the Force's violence against women and girls' campaign, 'Know the Line'
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3. Police, Fire and Crime Panel - (PFCP)

EC is now the representative for the PFCP and will report back at future meetings. BS thanked SF for her attendance in representing ETAP members at meetings.

BS gave an update on EC's behalf, at the last meeting, one of the main items at the meeting was that Chris Noble has been confirmed as the new Chief Constable for Staffordshire Police and will start in the post in December 2021.

GD advised that at the PFCP meeting on the 25 October, the draft Police and Crime Plan and Fire and Rescue Plan were on the agenda. The consultation period ends 25 November.

AE commented that 4 weeks is a relatively modest time for such important plans.

GD added that these plans are living documents and they will change over time. If it is that longer is needed then the SCO will look at this again.

Members asked how the documents are being advertised. GD advised that the SCO is using various different channels to advertise these documents.

4. Governance Highlight Report

DW presented the report which consisted of: -

HMICFRS reports and recommendations, in total there are 7 areas for improvement; 3 are now signed off, 1 waiting to be signed off and 3 awaiting to be processed.

Internal audit reports and recommendations

There are currently 2 live audit reports, Fleet Utilisation and Asset Management.

External audit report and recommendations

The External audit for 20/21 accounts is yet to start and therefore has not met the expected published deadline of the 30 September 2021.

ETAP reports and recommendations

There are no current outstanding recommendations to report

Strategic Risk, Issue and Opportunity (RIO) management

There have been some changes since this was last reported to ETAP. Currently there are, 7 risks, 2 issues and 2 opportunities.

The risks include:

- **Emergency Services Network:** Risk of compromised operational viability due to delays in decommissioning of Airwave.
- **Origin ERP Upgrade:** Current version of Origin used by the force is not fit for purpose.
- **Operation Jafar:** Risk to public and officer safety and the ability to deliver service due to Covid-19.
- **Pensions Remedy:** Risk relating to changes of public sector pensions.
- **IT failure:** Risk that infrastructure failure due to end of life hardware may impact on delivery of operational and support activities.
- **Sexual misconduct:** The abuse of position for a sexual purpose
- **Operation of BMW N57 & B57 Engine:** Recent catastrophic engine failures

Q: AE, looking at the child protection arrangements, does this include the child protection provision?

A, DW, yes it was one of the elements as part of the national child protection arrangements.

Q: SF, looking at the current risks, what process sits beyond the risk processes?

A: DW, there is structured process that sits behind risks with a specific proforma for the valuation of risks with a 5 x 5 matrix which gives a standard and consistent approach to scoring.

Q: CB, what is the growing capacity in the number of police officers?

A: DW, there is an element of risk behind the officers sign off but this also has the overriding opportunity to place officers where they are most needed.

EB, 300 officers going through 'Operation Uplift' is a great opportunity but is also some risks that we are aware of. Student officers get moved around, but are taken away from front line work due to their learning at University. The full opportunity is yet to be released at the start.

BS thanked DW for her report.

5. SCO's Governance Highlight Report

VF introduce this report which covered: -

Audit and Reviews 2021/22

There are 3 reviews - 1 ongoing and two be completed in quarter 4

Recommendation's Update

There are 5 recommendations, 1 relating to ICVA quality assurance and 4 relating to the AGS 20/21

Risk Management

On the Strategic Risk register there are 11 risks, two of which sit outside of the desired risk appetite and are being closely managed by the SCO Chief Executive with support from the management team.

There are also 32 Operational risks that are being managed directly by the Heads of Service.

Governance & Assurance Operational Update

Highlights of the update included: -

Recruitment to Chief Constable and Chief Fire Offices positions.

Review and approval of SCO Corporate Governance Framework and FARS Corporate Governance Framework

Review from CoPac is being reviewed over the next few months.

BS thanked VF for her report and update.

6. Going Concern Assessment

DG presented the report and explained that the purpose of this report is to review the guidance on going concern provided by CIFPA and assess the going concern for the Staffordshire Commissioner.

Q: CB, what is your view on interest rates?

A: DG, the County Council provide the Treasury Management Service and the current interest rate environment is good. The Force will be keeping a close eye on the market with a view to replacing the loans and servicing the capital requirements.

Q: CB, which indices do you use?

DG, Consumer Prices Index (CPI) is used is generally. This currently running at 3.2% in the 12 months to the end of August.

JB added that the Force can only borrow for identified need for than 12 months, this is a real challenge for Capital forecasting.

Q: SF, are Capital Receipts coming in as expected?

A: JBL, the Capital receipts, in terms of this year's MTFS are nearly all delivered and on average the Force is achieving more than on each property.

BS thanked DG for his report

7. Internal Auditors

Progress report delivered by JB on behalf of AW

The results from the audit of Firearms, Tasers and ammunitions are being discussed at private meeting following the main meeting today.

Progress against the internal audit plan: -

- The draft report on Expenses is due to be issued shortly;
- Fleet Management, Crime Recording and ICT Strategy reports are work in progress;
- Financial control - the audit has been scoped and work is due to start in January.

The scope for all other audits has been agreed and work is due to start in either December or January.

Following a discussion, it was agreed that the Expenses Report would be discussed in detail at the November meeting of the Ethics and Review Panel as part of their work into Gifts and Hospitality.

A: Has the Commissioner Ben Adams had any involvement in the Internal Plan?

Q: DG, yes, the Commissioner is aware of the content of the plan and he will be involved in scopes of the audit work this year.

BS added that the Commissioner is looking to ETAP to ensure that the financials are monitored and he will be meeting members at their panel meeting in February.

Q: TS, could you confirm what is include in the scope of the Crime Recording Audit?

A: EB, the audit is looking essentially how the Force is meeting the needs of the Home Office counting rules that govern how crimes and incident are recorded. In the past Forces have not been clear how to correctly record crime, which is part of HMICFRS inspection programme.

ACTION: JK to take the Expenses report at the ERP November meeting

8. External Auditors

BS introduced NH as the partner now responsible for the external audit.

NH advised that that is regrettable that the External Audit of the statutory accounts have been delayed. He has had a handover from Helen, the previous EY partner and the previous audit plans have not changed.

The plan in place to start the audit in January with named individuals in a revised auditor team.

Q: JW, will you be regularly undertaking reviews of resources throughout the audit?

A: NH, yes, I will be reviewing resources regularly as part of the operational meetings on a week by week basis.

AE commented if there are any delays with the audit, this will result in further issues for the staff who will be working on a close down of the current year at the same time as the audit.

Q: BS, are we going to have repeat of the timetable for next year accounts?

A: NH, given the back log, the strong level of standards and the requirements of central government, EY need to reset their audit arrangements.

GD commented that in the current environment of where there is more work on audits and the squeeze on fees, looking to the future, I'm not sure where the PSAA is? The environment in which External Audit is operating in is very challenging one. I'm not sure how these issues will be resolved

NH, explained the current plans for 20.21 audit. The aim is to get the VFM report as soon as possible and the accounts will be finalised before the end of March 2022. He will also look back to the scope of the audit including how the accounts are constituted and the framework for producing them.

BS thanked NH for his update and asked for update in February.

ACTION: NH to provide an update on the External Audit of the statutory accounts to ETAP meeting on the 16 February
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9. AOB

Date and time of the next meeting is Wednesday 16 February 2022

DRAFT