



ethics, transparency & audit panel

Building public trust in policing and fire and rescue



Draft V02

Item 1

MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) POLICE & CRIME MEETING held on Wednesday 23 October 2019

Present:

ETAP members	Officers
Bob Simpson - (BS) Chair	Glynn Dixon - SCO Chief Executive (GD)
Alan Edwards (AE)	David Greensmith - SCO Director of Finance (DG)
Craig Brown (CB)	Jean Cass - SCO Governance Lead (JC)
David Davies (DD)	Victoria Farrar - SCO Head of Governance & Assurance (VF)
Emma Christmas (EC)	Nick Baker - Deputy Chief Constable (NB)
Jane Barr (JBA)	John Bloomer - Force Chief Finance Officer (JBL)
Jane King (JK)	Deb Wilne - Force Planning and Policy Manager
John Wheatley (JW)	
Sue Finney (SF)	Also in attendance
Sue Westacott (SW)	Hassan Rohimun - EY Executive Direction (HR)
Tony Wilmot (TW)	Daniel Harris - RSM Partner/ Head of Internal Audit (DH)

Observer Laura Price, SCO Policy & Research Officer.

1. (i) Declaration of interests and apologies.

Declarations of Interest - No Declarations of Interest were received.

Apologies ETAP members Alan McEntire (AM), Claire Cowley (CC), Gareth Morgan Chief Constable (GM), Justine Kenny (JK) Director and Resources and Jason Burgess (JB) EY Audit Manager.

Minutes & actions of the meeting held on the 24 July 2019

Minutes of Previous Meeting

AGREED - That the minutes of the meeting held on the 24 July 2019 to be confirmed as an accurate and true record.

Actions

Updates to actions from previous meetings

- Item 1 query on seizure of cash amount over £10k September - carried forward
- Item 2 follow up briefing on Cash Seizures - carried forward
- Item 3 Default purchases in the Gifts & Hospitality Report related to mainly training fees - complete
- Item 4 Subsistence Policy to be circulated to ETAP members - complete
- Item 5 Road funding licenses – there are no exemptions available on credit card fees for the force - complete
- Item 6 Included in the next Gifts & Hospitality Report due at the February meeting
- Item 7 Included in the next Gifts & Hospitality Report due at the February meeting
- Item 8 Force Management Statement - link emailed to ETAP members - complete

Any updates from last meeting

Members held a pre-meeting today at 10.00 - 10.30

2. Deputy Chairs feedback

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

AE advised that the Finance Panel had met in September and received the new format budget monitoring report for month 5 (August). The panel welcomed this new reporting format which included a clearer narrative on the financial position. The report showed a significant under spend against the profiled budget year to date. Members anticipated that this would reverse during the year as the recruitment of police officers increases.

This is a significant year for Capital spend for the force. There is a large Capital programme planned with large spending on ICT; in particular on the Niche Records Management system.

The panel also received an updates on Police numbers following the Government's announcement of the recruitment of 20k officers and the Brexit related risks.

AE confirmed the future meeting and reporting arrangements of the Finance Panel. It has been agreed, in view of the improved financial position, the Finance Panel will meet bi-monthly from September 2019. AE also confirmed that he and BS will continue to meet the Section 151 officers on a monthly basis.

Q: BS, Is the balancing of the budget as a result of the new delegated budgets and are savings being made as planned?

A: JBL, with delegated budgets we do have greater control and following last year's decision to increase the precept, this has fixed the bottom line. Overall we are seeing we have a better grip on the financial position.

Q: BS, how are the Senior Officers taking managing their budgets?

A: NB, the position is going well and he feels that there is the best grasp of the budgets he has seen.

Q: BS, how is the consultation going with the merger of two finance teams in Police and Fire?

A: JBL, the consultation is going well and is now closed. The 'go live' date is 1 November 2019.

ii. Chair of the Thematic Review - David Davies (DD)

DD confirmed that there are currently three reviews underway; Local Partnership, Commissioning and Children and Young people in Custody. The terms of reference are in place for all reviews and target completion dates have been set.

A Crime Data Management Rapid Review is also in progress. The objective of a Rapid Review is to give members additional assurance on topics that give members concern.

A full list of all published ETAP thematic reviews can be found at <https://staffordshire-pfcc.gov.uk/transparency/etap/#etap-thematics>

DD confirmed that he has met with DW and was given access to the Risk Register and all outstanding recommendations. DD felt the meeting went very well.

DD confirmed that all available members of ETAP are involved in either a thematic review or a rapid review.

NB offered members a presentation on the People First Strategy. The culture behind this is 'do the right thing, rather than things right'.

DD thanked NB for his offer and BS agreed that a convenient date would be arranged after the meeting.

TW added that in the past he has expressed concern about how far the work of ETAP is known throughout the force. During his work on the Partnership review, he has received very positive feedback from two local policing teams, Lichfield and Tamworth. The message of ETAP is clearly getting out there.

DD added that he attends Tamworth SNP meetings. As ETAP members are no longer required to attend SNPS, SNPS are not fully aware of the work of the ETAP.

VF, confirmed that there is an induction session for SNP members. Included in this session is the whole Governance structure which includes reporting functions, e.g. Internal Audit, HMICFRS and ETA, therefore there is knowledge of ETAP's work within the SNPs.

ACTION: JC to arrange for a presentation to ETAP members of the People First Strategy from the Force

BS thanked for DD for his report.

3. Police, Fire and Crime Panel - (PFCP)

SF advised that there has not been a meeting of the panel since the last ETAP meeting.

The next meeting is on the 28th October and items of interest to ETAP members will include:-

- Update on the Budget and MTFS for both Police and Fire
- Fire Corporate Safety Plan

SF advised that meetings of the PFCP are broadcasted live.

VF confirmed that members can watch the PFCP meetings via the following link,
<https://staffordshire.public-i.tv/core/portal/webcasts>.

BS thanked SF for her update.

4. Force Governance Highlight Report

DW presented her update report which covered progress since her last report at the ETAP meeting on the 29 May 2019.

Highlights of the report included:-

HMICFRS - There are currently 2 live Force Inspection action plans on going as included in table 1. The plans archived since May 2019 are included in table 2, further details are available in Appendix 1 of the highlight report.

Internal Audit recommendations - There are currently 7 on goings areas of recommendations, details of which are included in table 3. Included in the table is 1 medium priority in Payroll processing which remains open and 3 actions ongoing recommendations in the Management of Property Store. Table 4 includes the summary of audit action plans completed and signed off since May 2019. Future details are contained within Appendix 2.

External Audit recommendations - There are not any live recommendations at the moment, with all previous ones being actioned and signed off. Progress against 2018/19 External Audit recommendations will be reported to ETAP in a future Governance Report.

ETAP reports and recommendations – Tables 5 & 6 – there are three live Thematic Action plans, with 9 actions outstanding. Since May, the recommendations in the FGM report have all been completed and sign off with approval with oversight of the PEEL Board. DD confirmed that he had met with DW and seen the supporting details on all of the ETAP recommendations.

Strategic Risk, Issue and Opportunity (RIO) Management - The Strategic Risk Management Board has met three times since the last ETAP meeting. The Force Strategic Risk Register currently contains seven risks and 1 issue. Since last reported, risks have been escalated, 'Collaboration with Staffordshire Fire and Rescue, 'Effective Management of stalking and 'Management of Capital Budget'.

BS reminded the meeting that EC was the ETAP Risk Champion and was to attend Risk Management Reviews as an observer.

SF flagged up her concerns on the managing of the Capital budget and the risks associated with this and asked if the Finance Panel could have regular updates.

JBL confirmed that he is happy to share at the Finance Panel meetings the risk proforma that is completed.

Members thanked DW for her report. Members felt that the reporting on actions is very robust and the report format is very welcome.

ACTION: DW and VF to confirm the dates of Risk Management Reviews directly with EC

NOTED: Members noted the contents of this report

5. SCO Governance Highlight Report

VF presented the SCO Governance Highlight report, this included progress completed since the last report to ETAP in May.

Item 1, included a new item, the Risk Management Subject Review completed by EC, Risk Champion. From the review that were a number of areas for consideration. Under Item 2 Recommendations Update included 2 outstanding items from the ETAP Self-Assessment against the CIPFA Good Practice Guide.

Item 3, the SCO's Strategic Risk Register, VF confirmed that this is presented to the Finance Panel on a regular basis and there are currently 11 Strategic and 26 Operational risks. These risks were last reviewed by SCO Senior Management Team on Monday 16 September.

SF, asked for sight of the RSM Self-Assessment Report.

BS advised the meeting that he had asked JBA to be the ETAP Champion for the election of the new commissioner.

ACTION: JC to circulate to members a copy of the RSM Self- assessment Report.
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6. Internal Auditors RSM

DH presented two reports a Progress Report listing actions completed since RSM's last report to ETAP and a Follow up audit report

- (i) **Progress Report** - Two reports have been finalised since the last ETAP meeting. These are in Procurement Contract Management Report in Kier Facilities and a Follow up report. Two draft reports have been issued in Contract Management – Boeing (Joint) and also in Fleet Utilisation (Joint)
- (ii) **Follow Report** – The conclusion on page 2, confirmed that we considered 22 recommendations from three reviews, which consisted of five high and 17 medium priority actions. From our review we are confirm that **good progress** has made in implementing these actions.

In addition to the Audit Plan 2019/20, JBL and DG have asked for a follow up review on the Procurement Contract Management on Kier at the end of the financial year. DH will update members if there is any impact on the plan with this additional review.

JBL acknowledged the hard work of DW and her team which had contributed towards this good result.

Members were pleased to note that Internal Auditor were able to confirm that proper actions had taken place on previous recommendations. This gave the Panel assurance that improvements continued to be made.

BS, thanked DH for these reports.

7. External Audit - EY

(i) Annual Audit Letter

HR presented this item and confirmed that the Audit Letter is issued after the Audit Results Report issued in July. The key area in the audit letter related to pensions in particular to the McCloud Judgment. We are satisfied following this work and confirm the unqualified position on the accounts and Value for Money statements.

HR confirmed that they are proposing the additional fees as a result of the PPE valuations and Pensions disclosures which are yet to be finalised.

Q: JW do you have any estimate of these additional fees?

Q: HR, as yet we do not know what these fees are.

Q, DD, on Page 11, you noted errors were identified during the course of the audit.

A, HR we reported in the Audit Results Report some disclosure type errors. It was not uncommon to find these types of errors due to tight timescales during the audit.

(ii) Quarterly Sector Briefing - Quarter 1 update

HR presented this item which include a quarterly sector briefing for members to note. Highlights of the briefing include, PCC national policy with the CJS, NAO consultation response with EY's point of view and also articles on the competition and market authority on the Audit Market. Key questions for members are also included on page 10.

8. AOB

Date and time of next meeting Wednesday 11 December at 10.30am

Meeting closed at 12.00pm

Closed meeting

(i) Internal Audit report on Procurement Contract Management (Kier Facilities Limited)

Due to the commercially sensitive nature of this report, the findings of the internal audit report were discussed in a closed session of the panel.

Members were briefed by DH on the findings of the internal audit review.

Helen Holden, Head of Commercial Services, joined the meeting to answer member's questions on the findings in the report

It was agreed that a follow up review of this area would be undertaken later on in the year.

Meeting closed at 12.30pm