



Draft V02

Item 1

**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) POLICE  
& CRIME MEETING held on Wednesday 16 February 2022  
Conference Room 1, Block 7, Police HQ**

**Present:**

<b>ETAP members</b>	<b>Officers</b>
Bob Simpson (BS) Chair	Emma Barnett – Deputy Chief Constable (EB)
Jane Barr (JB)	John Bloomer - Force Chief Finance Officer (JBL)
Jane King (JK)	Deb Wilne - Force Governance, Planning & Policy Manager (DW)
John Wheatley (JW)	Ralph Butler - SCO Temporary Chief Executive (RB)
Sue Finney (SF)	David Greensmith - SCO Director of Finance (DG)
Ben Thompson (BT)	Jean Cass - SCO Governance Lead (JC)
Terry Stock (TS)	
Martyn Rochelle (MR)	<b>Also, in attendance</b>
	Neil Harris - EY Associate Partner (NH) Item 6 only on Teams)

**SCO - Staffordshire Commissioner's Office**

**Force - Staffordshire Police Force**

BS advised that ETAP members, prior to the main meeting, ETAP members had a meeting with the Staffordshire Police, Fire and Crime Commissioner Ben Adams.

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

i. Declarations of Interest: None

Apologies: Alan Edwards (AE), Craig Brown (CB), Chris Noble - Chief Constable (CN)  
Victoria Farrar - SCO Head of Governance and Assurance (VF).

Minutes & actions of the meeting held on the 27 October 2021

**AGREED** - That the minutes of the meeting held on the 27 October 2021, were confirmed as an accurate and true record.

Updates to actions from previous meetings

Item 1 - EB advised that the Force would welcome scrutiny and oversight by ETAP members of the Force's 'Know the Line' campaign. BS advised this will be discussed by members at the Ethics and Review Panel and feedback will be passed to EB via DW.

**ACTION:** Force 'Know the Line' campaign to be discussed at future meeting of the Ethics and Review Panel meeting

Item 2 - JK advised this is included in her report at item 2 (ii) - complete

Item 3 - Item included on the agenda today on item 6 - complete

## **2. Deputy Chair's feedback**

### **i. Chair of the Finance Panel – BS on behalf of the Deputy Chair**

BS gave a verbal presentation at the meeting.

BS, confirmed the good news on finances as reported to the Finance Panel and asked that the finance team are thanked for the efforts in providing reliable financial information to the panel throughout the year.

BS thanked AE for his update report.

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

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

#### **Ethics and Review Panel.**

The panel has a scoring matrix in place to assess the feasibility of future reviews. This was used to assist in setting priorities and a work plan for the group. New style reports are now available on the Staffordshire Commissioner's website including responses on Covid, and the response on Police Complaints.

#### **Gifts and Hospitality Review update**

Desk top review is now under way and the completion of this report is expected to be by Easter 2022.

#### **Self-Assessment**

CB, has developed an assessment process for use when reviews have been completed.

Q: BS, have the reports been promoted on social media?

A: JK, ETAP reports are published on the SCO website and links are also shared on Twitter.

Q: SF, can you comment please on Operation Anzu that was mentioned in a newspaper article at the weekend?

A: EB, this is a live criminal investigation, so the DCC was not able to comment on the specific details of this case. The DCC did give the background that resulted in the Force, referring themselves to the Independent Office Police of Conduct (IOPC)> In addition the Force will continue with the internal investigation. The Force were unable to give the timescales for this case at present and the details will be monitored at the Force's Gold

meetings. The DCC offered to set out for ETAP members the different criteria for referrals to the IOPC.

**ACTION:** EC, to supply a background update report on how the Force handles complaints including referrals to the IOPC.

BS thanked JK for her update report.

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

EC is now the representative for the PFCP and will report back at future meetings.

EC had attended two meetings since the last ETAP Public meetings: -

7 December 2021 – the main item on the agenda was the consultation on the Staffordshire Commissioner's Police and Crime plan.

14 February 2022 – Police and Crime Budget. The precept of 4.19% increase has been agreed, the panel asked for quarterly update reports from the Commissioner.

EC commented that the culture of the PFCP had now adopted a more positive and involved approach.

Q: SF, what are the interim arrangements are following the departure of the SCO Chief Executive?

A: RB announced the interim arrangements for the role of Chief Executive. The role is shared between Paula Hammond and himself. RB will cover the external meetings and function of the role and Paula will manage the internal matters within the Commissioners Office.

BS thanked EC for her updates and attendance at the PFCP meetings.

### **4. Precept Reports**

- i. Budget and MTFS
- ii. Capital Strategy
- iii. Reserves Strategy
- iv. Treasury Management Strategy

DG advised that Precept reports have been presented to the PFCP meeting and also at an earlier ETAP Finance Panel meeting.

Highlights included: -

The Total 2022/23 net revenue budget requirement of £233.072m;

A council tax requirement for 2022/23 of £88.267m before the collection fund surplus is considered;

The proposal is to increase the 2022/23 precept for the policing element of the council tax bill by 4.19% (£10.00 per annum) which is equivalent to 19p per week, increasing the council tax to £248.57 for a Band D Property;

The Council Tax base has increased to 355,100 band D equivalent properties, equivalent to an increase of 1.83%. The Council Tax collection fund has also been finalised delivering a surplus of £0.879m after government support.

Q: JW, what were the response rates to the consultation on the increase?

A: DG, it was a reasonable rate with 940 respondents and 68% of the respondents confirming that they were happy with the increase.

Q: SF, in relation to the Capital programme, how robust are the estimates?

A: JBL, the estimates were revisited as part of the last budget setting process, the Force is comfortable now the estimates and but these will be reviewed at again during Quarter. 1.

Q: SF, 4.8 section, looking at the Capital Grant paid to Commissioners now ceased, can you comment on why this has ceased?

A: JBL, this grant has eroded over the years and is not ringfenced. This has moved and is now funded from within the normal Revenue budget.

Q: SF, the £18m Fire Arm training range, is this for the sole use of Staffordshire Police?

A: JBL, the £18m is based upon a build on HQ site and there is a chance to generate income on days when range is not used. A new business case is currently being prepared.

The new business case for the Fire Arms training range was discussed and it was agreed that ETAP members will be able to see a copy of the business case when this is available.

Q: BS, looking at the delays Capital Programme, are you able to say what the impact is on the Revenue Budget is when the programme is delayed?

A: JBL, yes, we do look at these impacts, some are reliant on the delivery as they drive efficiencies.

Q: SF, why are delays reported back?

A: JBL, this depends upon where these sit in the new Governance structure, the majority of these are reported to their Project Boards, Governance Boards and Strategic Board and the Commissioner.

Q: JK, is the force geared up on the recruitment process?

A: JBL, Police officers uplift next year is 120, this means that with the normal staffing turnover that the Force needs to recruit some 300 officers next year. Across the MTFs, this is underpinned by no growth on admin support staff numbers. This covers areas including Fleet Management, IT, HR and payroll.

EB added, the big drivers are where people live or they have a sense of belonging, the Force know that there are delays in the process. The Force recruitment is working hard on the recruitment to hit the uplift of police numbers and have achieved a good diversity in numbers. The Force are clear on the job role and capabilities. The Force does face challenges on paying sufficiently to attract the right talent pool.

Q: SF, does the Force keep the dropout rates of new recruits and leavers rates?

A: EB, yes, the Force does keep analysis records as to what is driving them to leave, this will include was the job not what they thought it was? There are interviews held with all leavers

Q: SF, are roles prioritised in terms of where they are on the Vetting list?

A: JBL, yes, police officers are prioritised to meet the uplift target for new recruits.

JK confirmed that the ERP are having a presentation from the Head of Vetting Department at their March meeting.

BS thanked DG and JBL for their report and updates. BS also paid his thanks to the Finance Team for their work on the Precept papers.

**ACTION:** JBL to share a copy of the Business Case for the new firing range

## 5. Internal Auditors

- i. RSM's Conformance with the ISA Standards and Codes of Practice (January 2022)
- ii. Progress Report
- iii. Governance
- iv. Key Financial Controls
- v. Expenses

DH introduced the papers as listed below 5 (i) and (5 (ii).

5 (i) RSM's Conformance with the ISA Standards and Codes of Practice (January 2022)

DH advised that RSM are required every five years, as part of the Audit Standards to be audited themselves. RSM generally conform to the standards and received the highest possible standards. 40% response rate from their clients.

Q: SW, was the choice of Grant Thornton RSM's choice to carry out the work?

A: DH, RSM went out to the marketplace and received 3-4 quotes. Grant Thornton were the chosen candidate to carry out this work.

BS commented that this report shows gives ETAP members very positive reassurance on RSM's work.

5 (ii) DH introduced the progress report.

Three final reports are presented today.

Appendix B: -

It is proposed that the Asset Manager audit is deferred to the 22/23 plan.

Two final reports have been issued with negative opinions, these will not qualify the final year end opinion and further work is planned in these areas.

5 (iii) SCO Governance Structure introduced by AW

The findings of the audit included: -

*'Internal audit opinion: Taking account of the issues identified, the Commissioner can take substantial assurance that the controls upon which the organisation relies to manage the identified area are suitably designed, consistently applied and operating effective'*

One low priority action - this includes the needs for action dates to be assigned and the need for officers to be accountable.

RSM are carrying Governance Audits for both the Force and the Fire and these reports will follow in May

5 (iv) Key Financial Controls

The findings of the audit included: -

*'Internal audit opinion: Taking account of the issues identified, the Commissioner and the Force can take substantial assurance that the controls upon which the organisations relies to manage this risk are suitably designed, consistently applied and effective'.*

4 low priority actions – including delays in payment of invoices.

Q: SF, what were the reasons for delays in payments?

A: JBL, delays were caused due to staff working from home. Changes have been made in the system, including where the chasing sits internally and more resources are also in place to help speed up the payment processes.

5 (v) Expenses

The findings of the audit included:

*'Taking account of the issues identified, the Chief Constable can take partial assurance that the controls upon which the organisation relies to manage the risk are suitably designed consistently applied or effective. Action is needed to strengthen the control framework to manage the identified risks'*

6 actions recommendations, 2 low, 1 medium and 3 high.

SW, commented that it is disappointing to note that only 9 out of the 35 respondents to the request for information.

JBL agreed this is a disappointing result.

BS asked that the non-respondents are chased up to reply.

Members asked that the non-respondents are reminded that they need to respond and this area is part of the follow up work of the audit.

**ACTION:** JBL, to present the follow up work from the Expenses Audit report to the Finance Panel.

## **6. External Auditors**

NH joined the meeting virtually on Teams

NH thanked the officers in the Force's Finance Team and the SCO for their cooperation during the audit of the financial statements.

The EY Audit Team have are making very good progress and have found no significant findings and no material amendments or weaknesses to report. There is just a small number of items outstanding for journal work and pension work. This pension work is driven by changes in accounting and audit standards in estimates.

NH advised that he is confident that he will be able to present the audit findings report at the ETAP meeting on the 29 March 2022.

NH also advised that their Value for Money commentary is due within three months of the audit findings report.

Q: BS, what additional pension work is there outstanding, we understood that the pension assurance letter had been received?

A: JBL, yes, the pension assurance letter received has been received but there are two parts to this work. EY are awaiting the 2<sup>nd</sup> part that includes further details of liabilities and composition of the scheme. This additional work came into effect with changes in audit standards and but does change will affect the bottom line figures.

Q: SF, is this additional work included in the auditor's fee?

A: NH, no this work is not included in the fees, this additional work is set out on the PSAA website.

Q: BS, looking at future years' audits, when will the audits take place for the statutory accounts for 21/22?

A: NH, there is a meeting with the Force in the diary for 21/22 audit. Nationally there is a backlog for previous year's audit and the timescales are being revised for 21/22 Statutory Accounts to November 2022 and then end of September for the following five years.

NH advised from what he has seen to date, he would be giving priority to the Group accounts for audit in 21/22.

It was confirmed during the meeting, ETAP Members will be holding a private meeting on site with NH from 9.30 on the 29 March prior to the ETAP Public meeting.

BS thanked NH for this update.

## **7. AOB**

### **i. Update on the new Finance System**

Q, BS, where is the Force with the purchase of the new Finance System?

A: JBL, the Force are currently at the procurement stage of Finance system. The timeline for the purchase for Integra Feb 2023. The update to Origin including HR and Duty Manager will be slightly longer.

Q; BS, does the Force have a Project Manager?

A: JBL, a Project Manager has been in place for 3 months now and updates can be given at the Finance Panel meeting.

### **ii. Force Governance Updates**

Q: BS, can members have an update on the new Force's Governance Structure?

A: DW, yes, this can be arranged for further meetings.

JC, EB has advised that Force Governance updates can be given at future meetings starting in March from either herself or CN.

### **iii. Date and time of the next meeting is Wednesday 29 March 2022**