



Draft V02

Item 2 (i)

MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) FIRE & RESCUE MEETING held on Wednesday 25 May 2022
Conference Room 2, Block 7, Police HQ

Present:

ETAP members	Officers
Bob Simpson (BS) Chair	Glynn Luznyj – FARS Deputy Chief Fire Officer (GL)
Ben Thompson (BT)	David Greensmith - FARS Director of Finance (DG)
Chris Gill (CG)	Victoria Farrar - SCO Head of Governance and Assurance (VF)
Craig Brown (CB)	Ralph Butler - SCO Joint Temporary Chief Executive (RB)
Emma Christmas (EC)	Jean Cass - SCO Governance Lead (JC)
Jane Barr (JB)	Also, in attendance
Jane King (JK)	Sarah Jassal - Audit Manager Grant Thornton (SJ) (on Teams)
John Wheatley (JW)	Mark Stocks - Partner, Head of Public Sector Assurance Audit (MS) (on Teams)
Sue Finney (SF)	Angela Ward - Senior Manager RSM Auditors (AW)
Sue Westacott (SW)	Daniel Harris - RSM Head of Internal Audit (DH)
Terry Stock (TS)	

SCO - Staffordshire Commissioner's Office
Force - Staffordshire Police Force
FARS - Staffordshire Fire and Rescue Services

BS advised that ETAP members, prior to the main meeting, had a private meeting with RSM Internal Auditors, DH & AW. BS also welcomed CG to his first ETAP Public meeting.

1. Annual Election to the ETAP posts: -

VF confirmed that following the Chairs election results: -

Members had the option to express their interest in the Chair positions of ETAP by email between the 13 May and 20 May 2022.

ETAP Chair - one expression of interest from the existing Chair Bob Simpson (BS).

Deputy Chair - Chair of the Ethics and Review Panel one expression of interest from existing Deputy Chair Jane King (JK)

Deputy Chair - Chair of the Finance Panel one expression of interest from Emma Christmas (EC).

VF confirmed that the existing chairs will remain in their posts and a new chair is elected to the position of Deputy Chair and Chair of the Finance Panel, for a period of 12 months from the date of this meeting.

2. Declaration of interests and apologies.

Declarations of Interest: - no declarations of interest were received.

Apologies: ETAP member Martyn Rochelle (MR), Rob Barber, Chief Fire Officer (RB) and Corrina Bradley, Deputy Chief Finance Officer (CBR).

- (i) Minutes & actions of the meeting held on the 29 March 2022.

Minutes of Previous Meeting

AGREED - That the minutes of the meeting held on the 29 March 2022 were confirmed as an accurate and true record.

Actions

Updates to actions from previous meetings

Item 1 – To check for links to ETAP reviews on the FARS website (CBR) – link in place complete.

- (ii) Chairs Annual Report for ETAP.

BS introduced his annual report on the performance of ETAP members during the past 12 months up until 31 March 2022. His report included details of the work of the Finance Panel, the Ethics and Review Panel and member's work with both internal and external audit. BS's report also confirmed the outcomes of member's during the last 12 months.

JK asked if the report could be summarised for the ETAP website. BS agreed to this action of writing his report in a summary format for the website.

ACTION BS to prepare a summary report for the SCO website

3. Deputy Chair's Feedback

i. **Finance Panel - Temporary Chair Bob Simpson (BS)**

BS, confirmed that he chaired last week's Finance Panel meeting, the highlights of the meeting included: -

Monthly Financial Monitoring reports for the period 12

Confirmation that external audit of the Stat. Accounts 21.22 was planned to begin in June

Members were invited to attend the Finance Challenge Days to be held over the next few months and details were discussed at the P&D session following today's meeting.

Members noted the release of the Fire's White paper; 'Reforming Our Fire and Rescue Service' and it was agreed that DG would hold a separate briefing session for members.

Following a discussion with ETAP members, with the additional items for Fire paper including the White Paper, it was agreed that options would be explored further with a view to moving public meetings to Fire HQ.

ACTION: JC & BS to have a discussion on future timetabling of Fire meetings and the practicalities and implications of holding ETAP meetings at Fire HQ.

ii. Review update - Jane King (JK)

JK presented her report which covered the following areas: -

The next, Ethics and Review Panel meeting in July will include follow up work on the reviews of Staff wellbeing on Covid for both Fire and Force and FARS Core Code of Ethics.

JK confirmed that the Desktop review of Gifts and Hospitality is now at a draft stage and comments are outstanding responses from CBR.

ACTION: CBR to reply with comments on the Gifts, Hospitality and Expenses Report.

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 and report.

4. Police, Fire and Crime Panel (PFCP) (verbal feedback)

EC is attended the last PFCP meeting on the 25 April 2022, as an observer on behalf of ETAP members.

Items at the last meeting included: -

The confirmation the appointment of new Chief Executive to the Office of SCO.

The Commissioner presented his update to the Police and Crime Plan and confirmed that the new policing model will be in place by the end of June 2022.

Members advised that they thought it may be beneficial if the Chair of PFCP attends a future Public ETAP meeting to understand the work of the Panel.

BS thanked EC for her update on the PFCP

ACTION: JC to invite the chair of PFCP to attend a future ETAP Public meeting

5. Governance Highlight Report

GL presented the report today on behalf of the RB.

The highlight report included the following areas: -

1. HMICFRS reports and recommendations
2. ETAP reports and recommendations
3. Other External reports recommendations (as appropriate)
4. Strategic Risk Register

Q: TS, can you discuss risk of national and industrial relationships tensions on the White Paper?

A: GL, yes there is a risk of in terms of deterioration of industrial relationships at a national level. It is clear that the Fire Brigade Union (FBU) is concerned about their loss of influence of collective bargaining at a national level.

Q: SF, prosecutions mentioned in your report, are these criminal prosecutions and can you reclaim your costs?

A: GL, yes, these are criminal prosecutions since these are failings on the part the Fire Safety Regulations . FARS will enforce these where there has been a significant risk to life or the responsible person has not responded by putting things right that they were requested to do so. FARS will employ a barrister on their behalf on these court cases and where cases FARS win cases they will look to recover the full costs.

Q: SF, what would happen in a possible criminal case where there was no money for the court costs to be paid to FARS?

A:GL, this has not happened, but FARS would need to weigh up the costs prior to the case going to court and the likelihood of obtaining a successful prosecution. Fars would also consider the impact or signal this would give to the public if FARS did not prosecute in high profile cases.

SW commented that when she and JW had worked on the review of FARS some time ago, no prosecutions had taken place. She asked if the FARS teams were now in a better position to proceed with prosecutions?

A:GL, yes there has been a change in culture at FARS following two prosecutions, which has been used in case studies and changes have been addressed in legislation as part of the Fire Act 2021.

Q: JW, do you have a lead officer in place to handle prosecution?

A: GL advised that there are 3 officers are now in place, one in the south, one in the north and one central. However, as part of the Corporate restructure, there will be one manager in place to lead in this area.

A: JK, Risk Register, item 3, could you give more details on the ESN risk please?

Q: GL, Central Government have changed their risk to look more centrally and therefore FARS are changing their risk to ensure that they supplement this risk regionally.

GL mentioned that White Paper that is currently out for consultation. Members will be given an overview of the White Paper during a Governance Day at Fire HQ on the 1 July 2022.

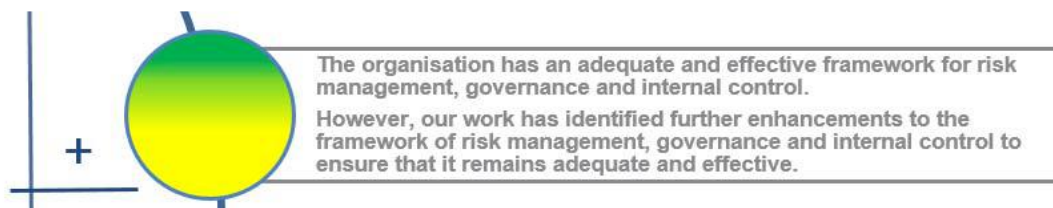
BS thanked GL for his update.

6. Internal Auditors

i. Annual Report 2021.22

DH presented the RSM's Annual Report which contained their audit opinion for the year ending 31 March 2022

For the months ended 31 March 2022, the head of internal audit opinion for Staffordshire Commissioner Fire and Rescue Authority is as follows: -



The findings of the report concluded a positive opinion.

DH confirmed that during the year, seven reports have been issued;

- 3 were concluded as 'substantial assurance' opinions
- 2 reports were given 'reasonable assurance' opinions
- 1 report was an advisory report – this did not require an opinion
- 1 follow report, which concluded that reasonable progress had been made.

DH to share the link to the National Audit Office (NAO) assessment reports for members to carry out future assessments of the Panel.

ACTION: DH to share the link to the NAO assessment reports

BS commented that the working arrangements for Internal Audit across all three organisations work very well and he thanked DH for his report.

ii. Plan 2022.23

AW presented the plan for 22.23 and confirmed that plan included a number of areas of risk, priorities and issues that RSM will be looking at. The plan included reviews of Data Protection, cyber-security, governance, procurement, legal work and follow up work.

AW confirmed that also included in the plan is an outline for future years and that the plan is not set in 'stone'; the plan remains flexible to reflex the changing needs of the fire service.

Q: SF, will the Internal Audit plan need to be revisited in light of the White Paper?

A: DG yes, the internal audit plan does need to remain flexible this year due to the HMICFRS report and the White Paper.

BS thanked AW for her report and updates during the meeting today.

7. External Auditors (GT)

MS and SJ joined the meeting on Teams today to present the External Audit plan for 21.22.

Highlights for the plan included: -

- Materiality, £1m testing strategy
- Sets out the testing approach,
- Testing include the area of management to override controls
- Pensions and PPE estimates is tested.
- A significant underspend on Capital, this will be reviewed.

The majority of the planning is now complete and the audit is looking to start early June.

Q: JW, is the materiality the overall value of £1m?

A: MS, this is taken as a 2% of the total turnover, the materiality drives the level of testing. GT work on a cumulate basis to total the £1m.

Q: CG, what co-ordination is there on looking at the any concerns over the Capital spend?

A: MS, GT look at the management arrangements on the review of the Capital spend that is already in place.

DG added that the Management Team are constantly reviewing the Capital spend due to spiraling costs and availability of products for a number of Capital projects.

Q: BS, are you aware that the GT papers are marked 'Commercial in Confidence' and these are posted on the SCO website?

A: MS, GT supply the papers for ETAP meetings but it is the SCO's choice to publish these. I thought that this was not public meeting and therefore it was not a requirement to publish these papers.

BS corrected MS on this point, this is a public meeting and the papers supplied by GT are published every meeting on the SCO website.

MS advised that he would review the papers for future meetings.

Q: SF, are GT's fees in line with the plan?

A: MS, our fees are covered on page 19 of the report and are in line with PSAA guidelines.

DG, confirmed that additional charges are expected for this year's audit.

Q: SW, are you expecting any changes in the valuation of lands and buildings?

DG, no we are not envisaging any changes; however, we have changed the methodology of the Stafford Project and will be having conversations with MS and his team during the audit.

MS, the deadline for the publication of the statutory accounts has now been extended November for the publication of final accounts

Q: JW, do you have the resources in place to delivery to the deadlines.

A, MS, GT have sufficient resources in place to deliver the external audit on the Fire accounts, GT have in place 140 members in staff to deliver public sector audits.

BS thanked MS and SJ for their updates.

8. AOB

- i. Date of the next meeting is Wednesday 26 July 2022

DRAFT