



**ethics, transparency  
& audit panel**  
Building public trust in policing and fire and rescue



Draft V01

Item 1

## MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) FIRE & RESCUE MEETING

Date: 26 June 2025

Location: Fire HQ, Meeting Room 2

### Present:

ETAP members	Officers
Chris Key (CK) CHAIR	David Greensmith - FARS Director of Finance & SCO S151 Officer (DG)
Byron Preece	Corrina Bradley - FARS Assistant Director of Finance (CBr)
Emma Christmas (EC)	Louise Clayton – Chief Executive SCO (LC)
Gurpreet Singh (GS)	Liam Buckley – Business Support Officer SCO (LB)
Jane King (JK)	
	<b>External Officers in attendance</b>
	Louise Davies – Associate Partner RSM Auditors (LD)
	Paul Grady - Azets Auditors (PG)
	Azola Dudula - Azets Auditors (AD)
<b>SCO - Staffordshire Commissioner's Office</b>	
<b>Force - Staffordshire Police Force</b>	
<b>FARS - Staffordshire Fire and Rescue Services</b>	

No members of the public were in attendance today.

Prior to the meeting today, ETAP members held their pre-meeting 10.00 - 10.30

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

Declarations of Interest: None

Apologies: Ralph Butler (SCO) Craig Brown (ETAP) Dan Harris (RSM)

Minutes & Actions of the meeting on the 25 February 2025

**AGREED** - That the minutes of the meeting held on the 25 February 2025, are confirmed as an accurate and true record.

### All from meeting of 25 February 2025

**ACTION 1** – LD to update the table on Pg10 and 11 of the Internal Audit Draft Strategy with colour coding and definitions – **Completed**

**ACTION 2** –RSM to clarify to ETAP the progress towards greater consolidation of work plans between organisations, to ensure RSM is seeking value for money from the Internal Audit work plan. LD from RSM

confirmed where possible review3s will be consolidated but that it is not always possible given the scope of reviews. **Completed**

**ACTION 3** –RSM to clarify which party is to sign off the Internal Charter, RSM confirmed that this is signed off by ETAP. **Completed**

CK asked if the Internal Charter is required as physical sign off or if this is an approval at the meetings. LD confirmed there is no physical signature required it is just the approval of the Charter at the meeting that is required.

**ACTION 4** –ETAP to set aside time to consider actions arising from the Grenfell Phase 2 report. FARS attended an ERP meeting on 20 May 2025 to cover this off. **Completed**

**ACTION 5** – At least 1 member of ETAP to attend a “financial challenge” meeting hosted by FARS. JK attended via Teams to a meeting on 28 March 2025. **Completed**

JK confirmed that she has attended the meeting on teams. The main take away was a reflection on the culture and a real sense of openness across the organisation, with people being prepared to challenge which was good to observe. CK added that the Panel would be happy to be invited to these types of sessions in the future.

CK welcomed everyone to the meeting which will be the last meeting of the Panel as ETAP before the new Joint Audit and Risk Committee (JARC) commences. CK had received some final words from Bob Simpson the former ETAP Chair for over 8 years in relation to the end of ETAP.

ETAP was formed in 2013, and whilst it had undergone some changes, this is the first major restructuring of membership. As the past Chair of ETAP for the majority of the time, he had reflected on the input and effect ETAP has had over the years with all three organisations. Whilst there have been some challenging times, particularly in the earlier years, it is appropriate that the new arrangements come into force. CK agreed that the Panel concurred with these thoughts.

BS stated that he wanted to take this opportunity to thank all ETAP members, both past and present, who have supported him and ETAP throughout the years. He is confident that the new JARC members will continue to uphold the ethos of seeking improvements in all three organisations and wish the committee well for the future.

## **2. Questions from members of the public**

None were received for this meeting.

## **3. Internal Auditors – presented by Louise Davies (LD)**

### **i. DRAFT Annual Audit Opinion Report 2024-25**

The Auditors Opinion is a positive opinion which recognises there is an adequate and effective framework for Risk Management, Governance and Internal Control, but there were some areas of improvement identified throughout the year.

Q: CK asked if LD could highlight the areas for improvement over the year.

A: LD these were highlighted on the reports throughout the year with the main area being the partial assurance around IT Controls. But RSM has recognised when forming the Audit Opinion that all management actions have been agreed and implementation dates agreed. A Follow-up review confirmed that reasonable

progress had been made and all actions were receiving management attention, with some still in the process of being implemented.

Q: CK asked DG how comfortable the organisation is with the opinion.

A: DG confirmed the organisation agreed that the opinion was a balanced view. There was some learning, and the organisation needs to ensure that actions have been implemented successfully.

CBr added that Vic Adams (VA) the Strategic Risk Manager, has new software and is feeding all the recommendations from Internal Audit into the Risk register so there is oversight. VA requests regular updates from the teams.

Q: CK added it would be useful to have an update of this work and how it is being applied.

A: DG suggested that this could be picked up when VA provides a risk update to the committee.

CK added that from the Panels annual meeting with RSM, the feedback was very positive in working with FARS.

## **ii. FINAL Audit Plan 2025-26 For Information Only following amendments**

The plan was brought back to the Panel for information, due to an update with the colour coding key, for completeness.

Q: BP in relation to Payroll, which system do you use?

A: CBr confirmed that Payroll was supported by Stoke City Council, and their system which is Resource Link, but will be moving to SAP in December 2025.

Q: EC since Rob Barber (RB) came into post there has been a lot of work around People and Culture, looking for example at bullying and harassment, and whistleblowing. Is this work being picked up anywhere in an audit?

A: DG there was a thematic review around behaviours that was completed approx. 18 months ago and was reported on. The recommendations from this review are being tracked and go through service delivery at a board level. RB is heavily involved with this piece of work in relation to the development of the Key Code of Ethics, there is ongoing work and internal reporting mechanisms in place to monitor this.

EC added that going forwards each committee member would be a champion for a particular area of work, and thought People and Culture should be an area that the committee monitor, as it forms a part of all the key risks for the organisation. Work would need to be done on how this can be monitored going forward, which may involve the tracking of actions, and follow-up on the reports, so the committee can take assurance that the appropriate actions are being taken and followed-up, and that the work on People and Culture continues to be developed and progressed.

LC agreed that this was a good idea, and at the induction with new committee members this could form part of the discussions to help establish what the individual committee roles would be.

DG added that RB has been involved in a piece of work for the National Fire Chiefs Council around some of the issues and the abuse that Chief Officers are subjected to.

LC added that it would be beneficial for the committee to understand what has been put in place from the Commissioners Office point of view, as the employer, to assist, protect and provide support.

EC added that this is not about creating additional work and the Panel know that the work is happening, but one of the key roles of the committee is to monitor that actions are being checked, and are progressing in the right direction. It was agreed that this could be discussed in the committee induction meeting.

GS added that similarly to EC's point around culture, whistleblowing was reviewed two years ago but given the type and size of the organisation, then this may be time for a refresh.

Q: BP what are rope rescue services?

A: DG it is a rescue involving a rope. Certain crews are trained to deal with this type of incident when required. There is a significant risk with this type of rescue, and FARS need to ensure these risks are mitigated. There is an issue with the availability of crews trained to perform rope rescue and RSM were requested to review this area due to the associated risks.

Q: EC do all services provide a rope rescue service?

A: DG no, it can be outsourced, there are options with regard to how the service is provided.

LD added that in terms of the plan 2025-26 Rescue Services has replaced the Civil Contingencies Unit and this is currently out in draft. The Insurance report has recently been finalised and will be presented to the next meeting.

### **iii. June Progress Report**

Three reports have been finalised since the last ETAP meeting.

### **iv. Key Financial Controls**

The audit reviewed accounts payable and accounts receivable, this was assessed as reasonable assurance. Overall there is an appropriate control framework in place, it was noted that there were some areas for improvement, but a positive assurance overall.

CBR added in terms of the finance team they had a previously established team with a finance manager who had been with the service for long periods of time. Last year there were a number of staff changes and as a result RSM were requested to do a back to basics audit, which was really useful. There were a number of recommendations that came from this, and this has been really helpful for the team, and positive all round. The new manager is writing new processes and the audit has been completely embraced by the team.

LD added that it is normal to find areas for improvement in this type of audit due to the transactional nature of the work.

Q: CK is there a monthly exceptions report produced which sets out each change to any supplier's details, in particular showing changes to bank details?

A: CBr a change of bank details was one of the processes that has been reviewed. This area has been tightened up and the team are reviewing a piece of software available, which checks bank details and payee details provided through a secondary source.

Q: GS how do you currently validate supplier bank details?

A: CBr do not accept just a letterhead, this is starting point, it is a long-winded process but necessary. The software would support with this area, in particular the set-up and checking on the system of the supplier bank details.

There were further discussions regarding fraud at other organisations and the sophistication of new types of fraudulent activity.

Q: CK regarding access controls, there was a situation with a member of police authority having access to the systems, but they are not on the payroll?

A: CBr part of the audit looked at user permissions and some members of staff are police employees and are set up as police users on the system, they can only be set up once on the system and then the information

is pulled through to fire, so it appeared that a section of the loop was missing. FARS also realised that if there were police staff changes, there was a potential gap, due to the reliance of receiving information regarding these from the Force. This has been mitigated with the production of a report, which is run daily and shows any change to users, which are then checked against the system.

#### **v. Capital Framework**

Capital Framework, is a substantial assurance report, which is positive.

CBr added that this audit was done at the request of FARS because the Capital Framework was new that year and the organisation wanted assurance that nothing had been missed. The recommendation was useful and throughout the year there were little tweaks that needed to be built in to the policy, which made sense from a practical point.

DG added, a similar Capital Framework has been introduced across Force and Fire. This has added more clarity around the capital programme and the delivery, so it has been very helpful and ensures that the governance is robust.

Q: CK what is the essence of the Capital Framework, is this the governance structure?

A: CBr confirmed that it is the governance and the decision making. The three-year Capital Programme is put together with the budget managers, this is to enhance the governance structure with regards to the capital programme. The Framework included which Governance Board each project would need to go to for approval, depending upon the value of the spend. The Terms of Reference for the Boards were amended accordingly.

#### **vi. Follow-Up**

This has been given reasonable progress, the actions that had not yet been implemented were in the process of being implemented, and FARS can take assurance from this.

CK thanked LD for her presentation and confirmed that the Panel took comfort in the reports and the robustness of the financial reporting. LD added that the engagement with the organisation was good which really helped with the audit process.

### **4. External Auditors – presented by Paul Grady (PG)**

#### **i. Staffordshire Fire Auditor's Annual Report 2023-24**

The auditors annual report is a legal requirement, and is a summary of the work that has been done. It is intended as a document that enables the tax payers to understand the audit that has been done, and the position of the authority for the previous financial year.

JK commented that this was a really good narrative, and reading it as a lay person shows that it is easy for the public to understand the report, which is the objective.

Q: CK There is reference to the Workforce Strategy, has this been published yet?

A: DG There is a document and it can be checked that this has been published.

<b>ACTION 1:</b> Panel would like to see the Workforce Strategy document
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## ii. Audit Plan 2024-25

The plan summarises the work that is planned for 2024-25. Key things to note are that in general the risks do not change year on year and the planning work has now been completed, helped by the ongoing engagement with FARS.

PG highlighted the materiality and trivial threshold amounts from the report, and discussed the significant risks for the Plan. The Value for Money initial risk assessment has identified no risks of significant weakness, and this will be re-evaluated during the course of the audit, and updated to reflect any emerging risks.

One change in respect of the timing of the plan for 2024-25 is that the Auditors Annual Report needs to be with members by November each year. It may be that there is a delay with the Pension fund auditor so the report may be done but not finished, however the Value for Money will be completed by November. This is separate to the Annual Accounts deadline which is February.

**ACTION 2:** For the Value for Money report to be added as a standard agenda item for the 3<sup>rd</sup> Quarter Meeting

With regard to fees, the only part of the fee which is not within the set fee is in relation to the IFRS 16 fee. PSAA has requested auditors to report to them the volume of work incurred in relation to this, and PSAA will make the final decision in relation to the cost of this element of the audit.

Q: JK to check the understanding of the fees, regarding the initial audit fee does this sit within the base fee?

A: PG this is made up of various layers, PSAA sets what the fees are and if the IFRS 16 did not exist this would be the fee that was paid for the annual cost. Assumptions behind this fee are on page 19 of the report. In the absence of no scope changes throughout the year the fee would be set, however if the Pension Fund report came and there were issues with regards to this, then there may be additional fees for any additional work.

Q: GS why is fraud risk a rebuttable presumed risk?

A: PG it is within the standards, and the starting assumption is that fraud risk is there. It is rebuttable on the basis that if the control environments and the arrangements in place are sufficiently strong, and if the environment and industry that the audited body is in is such that the incentive and opportunity is not there, then it can be rebutted. For a Fire Authority most of the income is year specific, so the opportunity is not really there. With incentive because there is a reserves basis, if you are overspending there is no real need to massage the income or expenditure figures, you can draw or add to the reserves, which also means the incentive does not really exist. Because there is confidence in FARS and the people and systems in place then Azets is comfortable rebutting this risk.

CK thanked PG for his reports.

## 5. Accounts – presented by David Greensmith (DG)

### i. Draft Unaudited Statutory Accounts 2024-25 Including Annual Governance Statement

The statement was published in May ahead of the statutory deadline, which had been extended to the 30 June, FARS is also not involved in any of the back-stop issues.

In terms of the overall financial position for the authority, it is in a slightly better position than anticipated. The reason primarily is due to the receipt of cash regarding the Motorola legal issues, and benefits from the interest on the cash held, in addition the ill health retirements did not happen by the end of the financial year.

The Pension Scheme liability is reduced in year, if this was removed the authority would have net assets of approx. £84 million, including £17.3million of useable reserves.

A full review of the pension reports received from the actuaries has been completed, including scrutinising the assumptions, and the overall liability has reduced by approx. £37million, this is related to the discount rates that the actuaries have used. FARS has reviewed the rates applied by the actuaries through PWC and the rates are broadly in line with what is expected.

Regarding reserves, the overall amount has reduced slightly, the underlying position for the earmarked reserve has reduced from £7.1million to £6.8million in year.

Regarding the Capital Financing requirement (page 37 of the report) the overall debt for the organisation is £21million. There are two parts to this, the underlying debt and the PFI debt. In 2014-15 the overall debt was £28million so the organisation has made significant improvements. The authority has £16.2 million in loans that support the overall debt position.

The Annual Governance Statement is included at the end of the report and includes the Audit Opinion from RSM. The AGS follows CIPFA guidance.

DG added that Azets will commence the audit in mid-July, FARS should be able to bring the audit findings report to the next committee meeting in September.

Q: JK in the narrative, it is good to see that from the HMICFRS report that there is nothing that is requiring improvement, or inadequate. In terms of major incidents relating to the recent hot weather what is the response to this?

A: DG there have been some incidents, nothing major at the moment but it is being kept under observation as the higher temperatures can be a real area of concern. FARS do have over the border arrangements with neighboring counties to pull together if additional support is required due to major incidents.

Q: CK is the authority comfortable with the real level of reserves?

A: DG the reserves are reasonable and they cover off the significant risks.

CK thanked DG for the quality of the report and the narrative with this.

## **ii. Going Concern Assessment**

DG explained that this document is produced on an annual basis as a requirement of the external audit. It is a snapshot to demonstrate the key financial parts of the structure of the organisation. Overall the judgement is as expected with a public authority and is concluded in the report.

There was a brief discussion on current news items relating to funding and sources of funding for Police and Fire authorities, in relation to the possibility of rising Council Tax bills in the South to fund investment in the North and with regard to Commissioners having to use the maximum annual precept increases to fund local Police and Fire services.

## **6. Verbal Update on Estates – David Greensmith (DG)**

Collaboration, there are new sites for shared services for Police and Fire at Uttoxeter and Stone.

Capital Projects, learning and Development had a new welfare suite last year and there are further works planned and Stafford Fire station has had some refurbishment work. Refurbishment is planned at Brewood Fire Station, which was reviewed last year.



Additional EV charging points have been added as part of the environmental strategy.

The improvement to the JETS facility are ongoing, this facility is shared across Force and FARS.

The driver training team for Force will be moving to the annex building at Stafford Fire Station with the repurposing of approx. 60 car parking spaces for vehicles. The Force are in the process of buying this site from FARS, but there are a few legal issues which are currently being processed.

Richard Chadwick, Service Director for Estates, is progressing with a restructure, and as part of this there will be a technical services post which will be dedicated to FARS.

The Financial Services Team, Payroll and Pensions are moving into the Financial Services Hub at Fire HQ shortly which will bring all of the teams together.

## **7. Deputy Chairs Feedback**

### **i. Finance Panel – Verbal Update Emma Christmas (EC)**

The Finance Panel last meeting was in May and was for papers only, from which there were no issues arising. EC reflected on the work of the Finance Panel over the years and confirmed that it had worked very well when the organisations were in a different position, but the restructure of ETAP was quite timely, and in particular the reduction of the number of meetings.

### **ii. Ethics & Review Panel – Report Craig Brown (CB)**

A report was submitted as part of the papers and there were no particular points that CB wished to raise at the meeting.

## **8. AOB**

CK confirmed that this was the last meeting for member JK who has served 8 years with ETAP, he thanked her for her valuable contributions over the years. JK confirmed that it was an appropriate time to step down, but that she would be interested in continuing with working with the commissioner's office in a different capacity as she has a lot of knowledge and would like to continue to contribute.

LC added that the Commissioner wished to thank all of the Panel for their commitment and contributions over the years and looks forward to continuing to work with the new committee. LC also thanked the Panel for being understanding and supportive of the process of change, and thanked CK for his support as Chair.

<b>ACTION 3:</b> A request was made for pay slips for the Panel to be issued by email rather than post.
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The date and time of next meeting is 10:30am on 25 September 2025 at Fire HQ.