



Draft V02

**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP)
POLICE & CRIME MEETING held on Wednesday 26 July 2023
Conference Room 6, Block 7, Police HQ**

Present:

ETAP members	Officers
Bob Simpson (BS) Chair	Chris Noble - Chief Constable (CN)
Craig Brown (CB)	John Bloomer - Force Director of Resources (JBL)
Jane King (JK)	Emma Cranidge - Force Finance Service Director (EC)
Jane Barr (JB)	Deb Wilne - Force Governance, Planning & Policy Manager (DW)
John Wheatley (JW)	David Greensmith - SCO Director of Finance (DG)
Sue Westacott (SW)	Louise Clayton - SCO Chief Executive (LC)
	Victoria Farrar - SCO Head of Governance & Assurance (VF)
	Jean Cass - SCO Governance Lead (JC)
	Also in attendance
	Hassan Rohimun - EY Executive Director (HR)
	Angela Ward - RSM Audit Manager (AW)

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

Prior to the meeting today, ETAP members held private a meeting with the Staffordshire Police and Fire Commissioner Ben Adams. This was followed by a member's pre-meeting.

1. Update from the Chief Constable

CN, presented to the Panel today an overview of the Staffordshire Police Strategy and updates on people, finances, performance, change, partnerships and culture.

The key highlights included: -

The Force have recently launched their 2-year Policing Plan. This plan looks at how the Force will delivery against their core priorities, the Commissioner's Police and Crime Plan, the Government's crime plan and any emerging challenges. This plan has been built with police staff and is cascaded down to annual delivery plans at each part of the business. Progress on the plan is reported at quarterly at the Executive managements board and through the performance structure.

Police staff and officer numbers are growing towards the 2k mark and figures are progressing towards the Government's 2010 target. Whilst numbers are becoming more positive, challenges remain with the Force as there is a very young workforce. The Force has seen a positive return on recruitment campaigns with a 50/50 split of male and female.

The financial position of the Force is in a relatively healthy place compared to the Force's peers. There are a lot of unknowns in the terms of macroeconomics with some of the ongoing challenges in pay settlements.

Crime performance, the Force has seen a significant increase in crimes including acquisitive crime and vehicle crime especially in the South/South East of the county. There have been similar challenges with increases in crime across all forces around the West Midlands region.

The Force continues to be in the HMCFRS 'Engaged' level of scrutiny, which puts additional requirements on the Force with their plans and reporting. HMCFRS are impressed with the plans in place and there have been sharing these with our Forces in a similar position around the country.

Partnerships - the Force continues to work with Fire & Rescue colleagues and the local authorities and to implement the national Right Care Right Person approach (RCRP). This policy is helping vulnerable people receive the right levels of care and will assist the Force in making operational decisions when responding to call for service.

BS, can you comment on the joint working with West Midlands services?

Q: CN, one of the biggest challenges in the West Midlands is the ambulance service, police officers are spending more time in A&Es than sitting beside victims of abuse or domestic assault in their own homes.

Q: CB, looking at the levels of experience of front-line officers, is this something that you measure and has this had a demonstrable impact on performance?

A: CN, officer's experience is tracked through HR and through their teams. All officers come through the response route. This is a national issue due to the lack of recruitment and funding. For example, when the Force stops recruiting for 5 years this can present a 5-year gap in service. Entry routes are currently being looked at, including transferees and a new fourth entry route for Police officers. The most significant impact of this can be seen through proactivity and the quality of investigations with the Force not having the same level of mature experienced officers. The retaining of staff who join including their standards, attitudes and willingness to be in the Force has remained the same.

CN advised that the Deputy Chief Constable is retiring at the end of December and recruitment to the post will begin shortly.

BS, noted thanked to the Finance Team for the reassurance on the implementation of the new Finance System.

BS thanked CN for update today.

ACTION 1 – JC to add on Huddle the Staffordshire Police Strategy.

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

i. Declarations of Interest: None

Apologies: ETAP members Emma Christmas, Ben Thompson and Chris Gill. Dan Harris, RSM Partner (DM), Umesh Lakhotia EY Assistant Manager (UL).

ii. Minutes & actions of the meeting held on the 25 May 2023

AGREED - That the minutes of the meeting held on the 25 May 2023, are confirmed as an accurate and true record.

ACTION 1: DW to consider adding a note of the PSED to the Force's final version of the Annual Governance Statement (AGS). DW advised that considerations will be picked up with the AGS – ongoing.

ACTION 2: EY to provide ETAP members with update on the VFM statement – on going.

ACTION 3: The draft Statutory Accounts for 2022/23 are to be published by the 31 May 2023 – the accounts have been published – complete.

ACTION 4: DW and VF to discuss the use of the Force's current governance chart for the SCO and Force's AGS 2022.23 - complete.

ACTION 5: DW to consider matters raised at the public ETAP meeting for the Force's AGS - ongoing.

iii. **ETAP Chair's Annual Report up until 31 March 2023.**

BS advised that this report is a formal statement of the work of the panel up until 31 March 2023.

BS advised that this is the only document that pulls all of ETAPs work together for the last 12 months. This report has been shared with ETAP members, the SCO and Strategy Governance Boards for both Police and Fire.

3. Questions from members of the public

There have been no questions received from the members of the public.

4. Deputy Chair's feedback

i. Chair of the Finance Panel – verbal update by BS on behalf of Emma Christmas (EC)

BS advised that at the last Finance Panel meeting on the 18 July, the agenda included the following items: -

- Firearms Training Facility, members received a presentation from Force's officers on the range. Officers gave panel members on update on range including a timeline of the future plans. It was agreed that Force officers would return to the panel in January 2024 for a further update.

- Financial Reporting Qtr. 1 including Capital update
BS advised that the panel is now receiving quarterly updates from the Force's Finance Team. Members have asked for some clarification of the detail on the Capital Programme in future reports.
- Police Going Concern Assessment 2022/23
DG presented the report to the panel and this is also on today's agenda.

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

JK confirmed that there has been one ERP meeting since the last ETAP Public meeting.

The agenda for this meeting included: -

Commissioners Independent Scrutiny Panels (CISP) - JK and CB worked on this area reviewing the setup of the panels. It was recommended that the CISP would benefit from the use of project management tools. A follow up review of the work of CISP will follow shortly.

Complaints - JB revisited the Complaints process and advised that the process is now imbedded and is working well with on-going training across the organisation.

Capital review - BS advised that the laptop review has been finalised and this has been shared with LC. LC advised that there will be a decision on how this is best concluded.

Force's Ethics Panel - CB attended his first Force Ethics Panel in June 2023. CB advised that there were good discussions during the meeting. There were two main topics on the agenda; the use of Chatham House Rules and the ethical use of hand car washes. The panel did run of time as only discussed the first item. CB feedback for the meeting included asking if there were sufficient members joining this panel and how are their findings disseminated across the Force?

Jonathon Gupta, Head of Vetting is attending the next panel meeting to give an update on the HMICFRS inspection report on vetting from December 2022.

BS concluded that he attended the Fire SGB meeting on Monday and advised that the board were very complementary of ERP's ethics work.

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 and update today.

5. Going concern Assessment 2022/23

DG presented the report today and confirmed that the report includes 2 years of cash flow figures, the MTFs, the Capital requirement position and also reflects on the current Qtr. 1 financial position.

DG advised that overall, he is happy that the going concern assessment review has been undertaken. Based upon the evidence he is able to support that the Police, Fire and Crime Commissioner and Staffordshire Police should be treated as a going concern.

Q: CB, looking at the debt what has the impact been with the increasing rates.

A, DG, there are two factors when looking at the debt into the medium term; the cost of borrowing has gone up with increased interest rates and the considerable cash reserves had been receiving additional interest following a number of years of low interest rates.

BS thanked DG for his report.

6. SCO Gifts and Hospitality Report up to 31 March 2023

DG presented SCO's Gifts and Hospitality Report for expenses up until 31 March 2023.

The report included expenses paid through the Commissioner's office including spend on the credit card, items claimed through the payroll and details of ETAP's expenses. Also included is the report is the Hospitality register, this includes events attended or declined by the Commissioner and Deputy Commissioner.

BS thanked DG for his report.

7. Force Gifts and Hospitality Report up to 31 March 2023

JBL presented the Force's Gifts and Hospitality Report for expenses up until 31 March 2023. This has been prepared in the same format of the SCO report.

JBL, commented on the Force's spend on the credit card. He advised that this spend did increase during the Covid with purchases through the credit card for PPE and this spend has now dropped off. The credit card is used as suppliers through the internet prefer this method of payment.

Q: SW, what are the credit cards payment under the donations?

A: JBL, these are for charity donations on behalf of officers who have died in service and are typically made under to Just Giving.

Q: BS, are these credit card payments made through the Finance Team?

A: JBL, yes these are carried out predominately on the Enabling Service and Corporate Service Development credit cards that cover $\frac{3}{4}$ of the expenses and these are carried out through the Procurement Team.

Q: JB, why was the credit card used for dog food and petrol?

A: JBL, dog handlers do not have use of a credit card. Dog food may have been purchased by credit card, for example, when a vet has recommended a different type food from the

supermarket. Petrol and oil may have been purchased in emergency in cases where the petrol card may have been declined.

Q: JB, who has use of the Force credit card and are there limits on the spend?

A: JBL, there are various limits on cards dependent on officers' roles and cards on only issued on a needs basis on approval by JBL.

Q: SW, can you comment on two lines in the report, redundancy compensation and refreshments – opera.

A: JBL, refreshments – opera this spend was for spontaneous protests and would be for example to purchase of takeaway food for officers.

ECr added that the line redundancy compensation has been miscoded, the correct coding for this spend was MOT training.

BS thanked JBL and ECr for the report and comments.

8. External Auditors

i. ISA260 and VFM 2020/21

HR confirmed that the 2020/21 audit opinion has been issued but the accounts have not been certified as closed due to the findings of HMICRFS reports.

Q: BS what is the timetable for this be concluded

A: HR, the 2020/21 accounts will be concluded with 2021/22 accounts

ii. ISA260 and VFM 2021/22

HR advised that the work in the 2021/22 audit has substantially progressed but the audit has been impacted by UL's work on NHS audits. HR advised that he did look for additional resources to back fill this work but unfortunately this was not possible.

BS, the accounts are signed off as true and fair view and not an exact view. BS commented that members feel that the accounts are just sitting waiting to be signed off and this position looks poor for Staffordshire Police that two sets accounts are open going into a third year.

HR clarified that the 2020/21 accounts are not showing as open as the opinion has been issued and the audit has been concluded. What is outstanding is the certificate to say that all that all EY's work has been concluded.

Q: BS, are the VFM reports due out 3 months after the accounts?

A: HR, the requirement is to issue an auditor's annual report three months after the accounts. This then certifies the audit is closed. There was an issue that was brought to

EY's attention in the Peel inspection that raised questions on the VFM report. Further work has now been carried out on the 2020/21 audit, the results of this audit will update EY's commentary. This is usual position to be in, issuing a certificate which highlights information that they should have been aware of.

Q: JW; were EY not aware of the Inspection Report findings at the time of the audit?

JBL: the HMICFRS inspection work was carried out in Nov/Dec 2021. The inspection findings draft report was received by the Force in July 2022 and the results of this were published until Oct 2022.

DW added that none of the findings of the inspection were reported in the year 2020/21. The Peel report was September 2022 and the Force went into the 'Engaged' stage in Summer in 2022.

Q: JW, if the audit would have been completed on time, the results of the HMIFRS inspection would not have been known at this stage?

A: HR, in an ideal world, EY would have completed the audit in July. Potentially there was some available information that EY would have reflected on.

JBL added that lessons learnt are now in place to spot issues earlier.

To conclude the discussions, members asked for confirmation as to when the audit will be completed.

HR confirmed that the work on the audit has been carried out but the review processes are now delayed due to the NHS audits. He confirmed that he will be presenting the 2021/22 audit opinion with the wording for the Auditors Annual Report at the September ETAP meeting. If there is any change in this plan HR will advise members.

DG added that there will be backlog with two sets of external auditors, EY and Azets, may be on site at the same time.

iii. External Audit Plan 2022/23

BS commented that the Statutory accounts met the deadline publication date of the 31 May 2023 on the SCO website.

HR advised that the deadline for publication of the final accounts is 30 November 2023. However, the audit will not start until January 2024 due to the reasons already discussed at the meeting.

HR commented on the letter from the MP Lee Rowley, issued on the 18 July 2023.

This provides an outline of work carried out by the Department for Levelling up Homes and Communities (DLUHC) and Financial Reporting Council (FRC) Inspectors to address the significant back log of local audits and the statutory deadlines to clear the outstanding audits. The report quoted that, at the time of writing, only 27% of local audits have been

completed for the financial year 2021-22 and the combined total of outstanding local audits dating back to 2015-16 totalled nearly 520.

HR advised that auditors may be required to limit their opinions and there will be cases where qualifications will be issued to local bodies.

BS, added comments, there have been delays in the audits have been due to the valuation of properties and pensions.

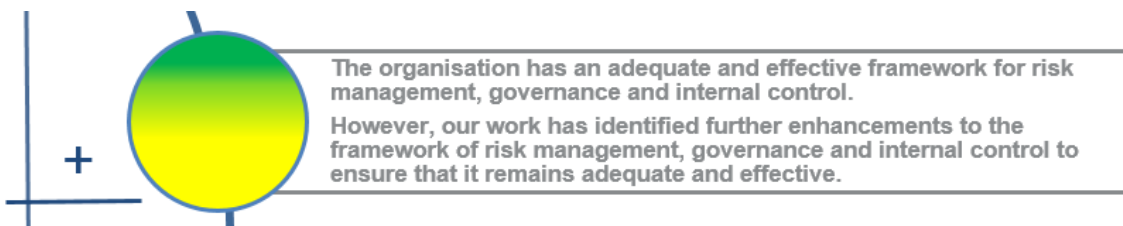
Action 2: JC to add to Huddle a copy of Lee Rowley’s report

BS commented

9. Internal Auditors

- i. Final Annual report 2022/23

AW presented RSM Annual internal audit report which included the opinion as follows for both Staffordshire Police, Fire and Crime Commissioner and also for the Chief Constable of Staffordshire.



This was the same opinion as made last year’s report and reflects the balance of the audit programme with a mix of opinions issued during the year.

BS added that he is happy with overall assessment, this makes good use of the skills of internal audit and this continues to help management improve.

- ii. Progress report

AW presented the progress report and advised that the plan for 2022.23 has now been completed

The Data quality/ Niche review has been deferred to the 23/24 audit work due to sensitivities in this area.

The progress report provides an outline of the 2023/24 work.

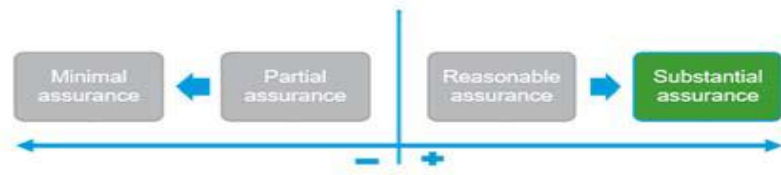
BS commented that it is early on in the year and the plan can be adapted as this progress.

- iii. Firearms Licensing

AW advised that this was the last internal audit work for 2022/23.

The auditors have issued a substantial assurance for this review.

Taking account of the issues identified, the Chief Constable can take substantial assurance that the controls upon which the organisation relies to manage the identified area are suitably designed, consistently applied and operating effectively



AW advised that RSM have completed this review across a number of forces due to recent events across the country. The findings confirmed that the Force has a real positive robust process and this is a good position for Staffordshire.

10.AOB

(i) Fleet Management Internal Report

JBL, advised that this report had been reissued due to a technicality; this report now includes the fact that the scope of the review included a re-run of previous audit from 2020.

Date and time of next meeting Wednesday 27 September 2023 10.30 – 12.30