



Item 2

Draft V02

**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) POLICE
& CRIME MEETING held on Wednesday 22 November 2023
Conference Room 6, Block 7, Police HQ**

Present:

ETAP members	Officers
Bob Simpson (BS) Chair	Jon Roy - Deputy Chief Constable (JR)
Craig Brown (CB)	John Bloomer - Force Director of Resources (JBL)
Chris Gill (CG)	Deb Wilne - Force Governance, Planning & Policy Manager (DW)
Chris Key (CK)	Katharine Ross - SCO Director of Finance (KR)
Emma Christmas (EC)	Louise Clayton - SCO Chief Executive (LC)
Jane King (JK)	Victoria Jones - SCO Director of Governance & Assurance (VJ) joined the meeting on Teams
John Wheatley (JW)	Jean Cass - SCO Governance Manager (JC)
Jane Barr (JB)	
Sue Westacott (SW)	
	Also in attendance
	Angela Ward - RSM Audit Manager (AW)
	Hassan Rohimun - EY Executive Director (HR)

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

BS welcomed JR, KR and also new ETAP member CK to their first ETAP Public meeting. BS also welcomed two members of public who had joined the meeting today on Teams.

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

1. Update from the Deputy Chief Constable (DCC)

JR presented an overview of current issues to the Panel today

JR introduced himself to the panel and gave an overview of his background and confirmed that he has now been in his DCC post since last Monday, 13th November.

The key highlights included: -

He has taken a lead on the performance of the Force and the Force's HMICFRS work to move the service out of their 'Engaged' position.

The Force's handling of calls has improved during the past 12 months and continues to be an area of focus.

Significant changes have been made to reflect senior leader skills sets including moving a new senior officer to lead on Stoke City Command and County Command.

The Force's new firing range has now received local authority planning permission and work will continue on this project through the SCO.

The Force continues to receive requests for mutual aid being made from the Met. as part of a regional commitment. This included attending protests in and around the National Service of Remembrance at the Cenotaph in London.

Q: SW, are these requests for mutual aid likely to continue?

A: JR, mutual aid is very beneficial for forces across the country. There are no set number of requests and are coordinated centrally by West Midlands Police on behalf of the regional center. Each request is assessed by a Staffordshire Exec Officer, this is to ensure that there is no negative effect on the local needs in the Staffs Force.

Q: BS, do you have a national/regional lead?

A, JR, yes, I have a lead on national lead bail.

Q: JK, the delays in court procedures and cases coming to trial, does these have impact on how long someone is on bail?

A: JR, this can cause delay and the whole process is challenging across the criminal justice system.

LC, added the Staffordshire Commissioner chairs the Local Criminal Justice Partnership Board and he has the power to convene partners within the criminal justice system to meet and discuss some of the challenges. There is action plan and an implementation log in place for meetings. The Force's Assistant Chief Constable Stuart Ellison and also the Chief Prosecutor for the Midland area sit on this board.

There is a significant lot of work taking place on the board and the board does recognise the court back log. This is not something than can be changed locally but the board is working with nationally to see what can be achieved. There is also a capacity issue with the criminal system to recruit and retain staff. The retirement age of judges is due to be extended for from age 70yrs.to 75yrs. to help keep more judges in the system.

BS thanked JR for his update today.

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

i. Declarations of Interest: None

Apologies: Ralph Butler SCO Director of Performance & Engagement and Communications (RB), Umesh Lakhotia - EY Assistant Manager (UL), Daniel Harris, RSM Audit Partner (DH)

Minutes & actions of the meeting held on the 27 September 2023.

AGREED - That the minutes of the meeting held on the 27 September 2023, are confirmed as an accurate and true record.

Actions carried forward from 25 May 2023.

ACTION 1: DW to consider adding a note of the Public Sector Equality Duty (PSED) to the Force's final version of the Annual Governance Statement (AGS). DW advised that considerations will be picked up with the AGS – see below - complete.

ACTION 2: EY to provide ETAP members with update on the VFM statement – update on today's agenda - complete.

ACTION 5: DW to consider matters raised at the public ETAP meeting for the Force's AGS – see below - complete

Action from the 27 September 2023.

ACTION 1: DW to share with members a copy of the Force's final AGS for 2022/23 - see below - complete

Feedback on Action points 1 & 5 from the 25 May and also action point 1 from the 27 September 2023

DW advised that the feedback has been considered and some minor amends to the AGS have been made where appropriate:

Ref pages 5/6

Following on from the Force and national inspections and the publication of Baroness Casey's report around the standards and culture within the Metropolitan Police, the force continues to strengthen its approach to ensuring that officers, staff and volunteers work with the highest level of integrity at all times. The 'know the line' campaign supports this work along with a refreshed 'set the standards' campaign to underpin the role that officer and staff play in building trust and confidence with the communities served. Where standards do fall short, the effective mechanisms and processes within the PSD look to identify and deal appropriately with those individuals.

The force gives due regard to the Equality Act 2010 as part of the process of decision making by ensuring that the following three aims are fully considered:

- *Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;*
- *Advance equality of opportunity between people who share a protected characteristic and people who do not share it and;*
- *Foster good relations between people who share a protected characteristic and people who do not share it.*

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Significant improvement activity and appropriate risk evaluations have been put in place to mitigate against those areas with minimal and partial assurance with relevant action plans, executive oversight of progress and enhanced governance arrangements in place where required.

ACTION 2: VJ to provide CISP background information including a copy of the original business case to DW – details sent to VJ – complete.

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 – Emma Christmas (EC)**

EC advised the Finance Panel last met on the 18 October and her report presented to the panel today covered a brief overview of that meeting. The panel has welcomed some changes in the financial reporting as requested by ETAP member CG. The main focus of the panel continues to be on the MTFS update which is on today's agenda and also on Capital plans and spend which continues to be slipping due to the current financial environment.

Also, on the agenda was the Force's Firing Range, which has now received planning consent and the panel will be having a further update at their January meeting.

BS thanked EC for her update.

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

JK advised that she is now presenting the same update report at both the Police and Fire public meetings.

JK & CB, have continues to work on Stage 2 of their review of the Commissioners Independent Scrutiny Panels (CISP).

There are four CISPs which cover each area of policing practice: -

- Stop Search – is the Force compliant with best practice.
- Use of Force – where force is used, is it compliant and justified.
- Custody & Detention – with a focus on different themes, mental health, for example.
- Strip Search (this Panel has only recently been set-up, so is outside the scope of this review).

The review has found a good level of assurance that the panel is operating effectively and has an active and diverse membership. The Force is engaged with the panels and welcomes their scrutiny and inputs.

During the last meeting, the panel also had a discussion on the roll out of the new Code of Ethics which has been developed by the College of Policing. The panel look forward to understanding the timetable and process for implementation of the Code across the Force, including the role of the Force's own internal Ethics Panel.

Q: JK, can you confirm the date for the release for the revised Policing Ethical Code?

A: JR, the code was due out now but this has been delayed and should hopefully be released in the New Year.

Q: SW, can you confirm the direction of the Force's Ethics panel including the role of the chair?

A: JR, confirmed that he will pick up this point and give members an update at a future meeting.

ACTION 1: JR to give an update on the Force's Ethic's Panel

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. Medium Term Financial Strategy (MTFS)

KR presented the report on behalf of the SCO office.

The purpose of the MTFS report, as presented to the Police, Fire and Crime panel is to:

- Update to the current year's budget
- Update to future years' MTFS assumptions
- Sensitivity analysis around key financial item
- Update on the Capital Programme.

KR advised that the outrun position is £242m with a positive variance of approx. £0.5million.

The external financial environment has changed since the MTFS report was set February 2023, mainly around inflation which is higher than budgeted for and the impact on the current year and predicted pay awards which are higher.

The impact of these pressures has resulted in an increase in the budget gap by £2.4 million making the revised gap of just under £5.8m at the end of 2024/25.

JBL added the details on the funding from central government, section 6.3 of the report. In relation to Government funding, Policing have had an increase of only 1.5% whereas councils have had an increase of 10%. This places a burden on the local council precept and future pay awards.

Q: CK, there is a large cumulative funding gap with a significant challenge, what are the officer's thoughts and what is the governance around this to manage this three-year challenge of funding?

A: JBL, yes this is significant challenge and the Force does hold a number of meetings to challenge the budget and spend in a number of areas across the organisation. The main areas of concern include, forensics and gas and electric costs.

JR, the Force has a big challenge now and the Force cannot touch Police Officer due to the potential financial penalty if the Force drops below the uplift numbers. The burden of reductions will be based around Police staff numbers and there are number of tough decisions are needed over the next few years to protect the service delivery.

Q: CB, as part of the challenge looking at the Force's Resource and Allocation Groups (RAG), do each of the Command Lead have targets?

A: JBL, these panels are part of the Force's Governance arrangements are held on a directorate basis and are these panels have been asked to find a 5% reduction on police staff budgets.

Q: SW, Forensics, can you give further details on the pressures in this area?

A: JBL, this area is outsourced in the market and continues to be a national challenge.

Q; JW, is there a healthy market with competition?

A: JBL, yes there are five or six companies in the forensics market. The cost of entry into the forensics market are incredibly high and therefore protection is needed against the exiting suppliers.

Q: CG, given that the Force needs to 2 % finding, if the commissioner wants to set the precept below inflation, are there any more models of precept levels?

A: JBL, the Force's does use precept and pay models and these are included in the report.

Q: CG is there an opportunity to look at any contracts?

A: JBL these are looked at on constant basis, although the Force is looking to bring in a new member of staff, dedicated to reviewing contracts.

LC added that the Staffordshire Police, Fire and Crime Commissioner (PFCC) has not made the decision on the precept level yet, this will be going through the consultation process in due course.

BS, Are the pension contributions for the police force funded by the Home Office?

A: JBL, no, the Force pays contributions on the current service, this is the 31% figure and the employee's contributions across the pension fund. The Home office pays the money out to existing pensioners.

Q: BS, is there anything in the MTFS for potential increases in the police staff pensions revaluation?

A: JBL, no, the valuation went off this year's MTFS. The pension fund in Staffordshire is in a healthy place, but the impact of the McCloud ruling is still unknown.

Q: BS, can you comment on the management of overtime?

A: JBL, the overtime is included in the RAG panels and there is a lot of scrutiny in this area. Overtime is key to the how the Force manage officer numbers and absorbs any demands in resources.

A: BS, can you comment on the delays Emergency Services Network (ESN) and the financial impact on the Force?

Q: JBL, ESN will have a positive financial impact for the Force when implemented and has now been delayed for 10 years and the savings have therefore yet to be realised.

LC, this is a real challenging time with a small budget for the Staffordshire Commissioner's Office. This budget includes a significant portion of spend committed to existing commissioning and partnership contracts. In addition, inflation has not been built into these contracts over a number of years which have been managed within the financial envelope for some time. The SCO does go through an MTFS process, similar to the Force. This will be challenging again this year and will be led by KR considering all areas.

BS thanked JBL and KR for their updates and report.

6. Internal Auditors

i. Progress Report

AW presented the Progress report to members today.

This give an outline of the 2023/24 plan and the information Governance Report is presented to the panel today.

Appendix A give an update on the audits in progress and Appendix B includes a number of changes to the plan. It is going to be busy time for the rest of the audits in quarters 3 and 4 for the year.

Q: JW, does it cause RSM any staff or resources to deliver this back log of audits and access to the appropriate Force staff?

A: AW, RSM are confident that they can deliver the rest of the audits, these are now programed in and dates have been agreed with staff.

ii. Information Governance Report

Taking account of the issues identified, the Commissioner can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and effective. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified areas

This was a joint review area; this report includes the update for the SCO. The Force review will be completed in Qrt.4

There are 4 medium actions including updates to policies, previous websites and asset log. There is a risk that data is held longer than necessary.

EC added that she found it worrying that the Information Assurance Board (IAB) meetings have not been taking place on a regular basis. The low level of meetings makes it clear that this area of business has not seen as a sufficient priority.

LC, the SCO, has taken on board the feedback from the report and does not agree that all of the risks were medium, these should have been low. There are 3-4 meetings per year and not 5.

The board did take place yesterday and all actions are being addressed. Future meetings will now be quarterly with the next meeting of the board in February 2024. None of the policies have expired, these have all now been reviewed and will be signed off before Christmas. There have been no data breaches and one near miss which have been dealt with.

Q: CK, what areas did Information Governance review include?

A: LC, the SCO as a data controller doesn't have a lot of data that it is responsible for. The vast majority of data sits with the Force. Data Protection Assessments and information sharing agreements are in place between the Force and the service providers. The second part of the audit is due to take place in Qtr. 4 on the Information Governance of the Force.

JR, advised that internally his is the Senior Information Risk Owner (SIRO) for the Force and he is responsible for data governance. The Force has its own team of Data Protection Officers and Information Governance Leads.

DW advised that through the IAB meetings these items are being looked at including monitoring of the cyber data risks.

BS thanked AW for her reports and update.

7. External Auditors

HR advised that at the last meeting of ETAP, he presented EY's audit results report for 2021/22 including some areas that were outstanding at the time. The audit results report also outlined the procedures that were undertaken for Value for Money that identified a significant weakness as result of issues reported by HMICFRS in their Peel Inspection Report.

As explained in previous meetings, Neil Harris (NH), the previous lead EY auditor, for the 2020/21 accounts did issue the draft opinion of the audit that included the VFM responsibilities. However, this audit has not been certified as closed as the auditor's annual report has not been issued for 2020/21. The HMICFRS inspection report was published in October 2022 after the audit opinion had been issued in September.

EY have been considering the HMICFRS report and any potential impact on the draft commentary that had already been issued. EY's main concern was there any issues in the inspection report for 2020/21 that would require EY to amend the VFM report. EY have concluded that they were matters of concern and have considered what this means for the 2021/22 audit report and assess the impact on EY reports for future years audits.

The work for 2021/22 work has been completed and as part of EY quality control processes certain additional questions have been asked. Once these are concluded EY will look to issue their opinion and the annual auditors report and the commentary against the VFM opinion.

Q: BS this should be within the next 2-3 weeks?

A: HR, yes, this will be before the end of the calendar year.

Q: SW, added that NH was ready to sign off these accounts for 2020/21?

A: HR, the opinion has been issued for 2020/21, the auditors need to certify the audit as closed once the auditor's annual letter has been issued. The HMICFRS inspection report was published after NH issued his opinion, but before the audit was certified as closed. EY having considered the inspection findings report, which did raise concerns about the conclusion that was reached in the VFM elements reported in the audit opinion.

Q: CK, this is down to EY's delays, have you got a definitive date when the accounts will be published.

A: HR, before EY issued the opinion for 2020/21, there was an embargo on the HMICFRS report that was not shared with NH. If this report had been reviewed the conclusion for 2020/21 would have been different.

Members commented that they do not remember the embargo situation being mentioned by HR as the last meeting and queried this with him during the meeting today.

JBL explained the accounts closed in March 2021, draft accounts published in May 2021. The publication of the HMICFRS report was published in October 2022, this was delayed due to the death of the Queen.

DW, advised that the Force had a copy of the pre-publication version in July 2021 of the HMICFRS findings. There was never an embargo copy and the Force did push back on a number of elements of the report.

EC, commented that this now clear that the delay in the sign off the accounts was a result of the draft HMICFRS report.

BS also confirmed that HR only mentioned the embargo copy this week to him and asked HR when can the accounts now be signed off please?

HR advised, EY are going through some more questions in terms of consideration of matters, once these are dealt with these can be signed off in the calendar year. The 2021/22 audit work has been undertaken and these findings have been reported back in the audit report. This report included a significant weakness as noted in the HMICFRS inspection.

Q: CG, can you confirm the position for the 2022/23 audit?

A: HR, as mentioned at a previous ETAP meeting, guidance is due to be issued on the reset of the local audit market and this is still outstanding. EY will be working on communications once this guidance is released.

Q:CG, can you advise on what work has been done on the 2022/23 audit?

A: HR, EY were planning on starting work in January 2024 and therefore no work has been carried out to date.

Q; BS, the public is not interested in the delays, can you confirm that the Statutory Accounts will be signed off for 2020/21 and 2021/22 be signed off before Christmas 2023?

A: HR, I am confident these accounts will be signed off.

JW, added that costs will be have been increasing for the audit work over these two past years.

HR, added within the results were included in the audit results papers. The fees will be subject to management review and if queried will need to put through to the Public Sector Audit Appointments (PSAA) appeals process.

BS thanked HR for this report and update today.

8. AOB

Date and time of next meeting Wednesday 28 February 2024 10.30 – 12.30