

Issue	Panel Update	Actions/Recommendations
Monthly Financial Monitoring	<p>The Panel received the period 9 summary financial and capital expenditure performance report for 2021/22.</p> <p>The Group forecast outturn for the year end is now £221.2m. This is a positive variance of £0.8m (0.38%) against the annual budget of £222.1m.</p> <p>Pay is underspent by £2.5m year to date and shows a forecast underspend of £1.7m. Whilst Police Officer pay is overspending (due to overtime), there are underspends in Police Staff costs (partly offset by agency staff costs) and PCSOs.</p> <p>Non-Pay, including contracted and capital financing costs, is underspent by £3.8m year to date. There is a forecast overspend of £0.9m at the year end, driven by additional revenue contributions to capital in year to reduce borrowing requirements.</p> <p>The Group savings target for the year is £2.1m with a forecast delivery of 93.8%. There is anticipated one off slippage of £0.130m relating to Estates disposals.</p> <p>The revised Capital Programme for the year is £10.25m (slippage of £3m since P8). The Group has actual spend and commitments of £5.9m on capital schemes to the end of period 9. The remaining capital programme for the year is £4.3m which sounds challenging.</p> <p>The General Reserves are £7.2m, 3.23% of the 2021/22 net revenue budget.</p> <p>The Panel welcomed the consistent picture that has been reported during the year and the relative strong financial management control that demonstrates. The Panel however was concerned about the level of staff turnover and vacancies and was disappointed to hear that Staffordshire Police was no longer seen as an “employer of choice” in some employment categories. The delays in vetting was noted by Panel members who welcomed news of additional recruits in the vetting team. The underspend on capital was again a source of discussion with a feeling that the programme had been over ambitious and un-deliverable.</p>	<p>The Panel welcomed the consistency of the year-end forecasts.</p> <p>Looking ahead the Panel will continue to closely monitor the underlying financial performance, the revenue reserves position and the demands of the capital programme.</p>
2022/23 Budget and MTFS	<p>The Panel received the bundle of precept papers that was going to the PFCP for approval the following week and a comprehensive presentation on the details underpinning them.</p> <p>The Panel welcomed the relatively strong position that emerges in the MTFS with an historically small gap to be filled of £2m in the financial plans over this planning period. Equally welcome is relative strength of the reserves position during the MTFS planning horizon. Of course, there are risks not least inflation and the impact of supply chain issues in capital expenditure costings.</p>	<p>The Panel will continue to monitor the medium-term financial plans.</p>

	<p>The Panel raised concerns about the deliverability of the capital programme especially in year one. The scale of the Firing Range capital plan was also commented upon noting of course that this is subject to a detailed business case. One issue that was not covered in the plan is the Group's approach to sustainability and achieving net zero carbon. The panel felt additional emphasis on this issue was needed given the importance of the issue to the public and future recruits.</p> <p>Overall the Panel thanked the staff for a well presented set of papers.</p>	
ICT progress	<p>The Panel received a verbal update on the Internal Audit draft report on IT governance and planning. It was also briefed specifically on plans in relation to the Origin upgrade and the new finance system, which have been long standing areas of concern for the Panel.</p> <p>The Panel was advised that a draft internal audit report had been received. The Panel look forward to the update and final report planned before March. The Panel welcomed the news of actions underway in relation to data centres resilience and the securing of additional IT Strategy resources.</p>	The Panel will review the Internal Auditors report on IT governance and planning once finalised.
SCO Annual Governance Statements	<p>The Panel received a draft Annual Governance Statement for the SCO.</p> <p>Two ETAP members are actively involved in reviewing drafts of the SCO AGS and this is the latest draft in what now seems a well-oiled machine.</p>	The Panel will continue to play an active role in relation to annual reporting.
SCO risk register	<p>The Panel received a copy of the latest risk register and a verbal update on force risks. The Panel asked if it was possible to adopt a "risk on a page" type approach to help with the readability of what is recognised as a good analysis of the risk position.</p>	The Panel will continue to review risks and their reporting.

Alan Edwards

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