



**MINUTES OF THE ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP) POLICE
& CRIME MEETING held on Wednesday 10 February 2021
(Virtual meeting held on MS Teams due to Covid19)**

Present:

ETAP members	Officers
Alan Edwards (AE)	Gareth Morgan - Chief Constable (GM)
Bob Simpson (BS) Chair	Emma Barnett - Deputy Chief Constable (EB)
Emma Christmas (EC)	John Bloomer - Force Chief Finance Officer (JBL)
Jane Barr (JB)	Justine Kenny - Director of People and Resources (JKE)
Jane King (JK)	Deb Wilne - Force Governance, Planning & Policy Manager (DW)
John Wheatley (JW)	Corrina Bradley - FAR Financial Services Manager (CBR)
Sue Finney (SF)	David Greensmith - SCO Director of Finance (DG)
Sue Westacott (SW)	Jean Cass - SCO Governance Lead (JC)
Tony Wilmot (TW)	Also in attendance
Craig Brown (CB)	Helen Henshaw - EY Associate Partner (HH)
	Angela Ward - RSM Senior Audit Manager (AW)

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

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

- i. Declarations of Interest: No declarations of interest were received.
- ii. Apologies: Glynn Dixon SCO Chief Executive, Victoria Farrar - SCO Head of Governance & Assurance.
- iii. Minutes & actions of the meeting held on the 9 December 2020

One amendment, the meeting referred to in action 6 and in item 6 of the minutes related to the Gold Meeting (OP Jafar) and not a SGB meeting.

AGREED - That the minutes of the meeting held on the 9 December 2020, with one amendment as detailed above, to be confirmed as an accurate and true record.

Updates to actions from previous meetings

Item 1 - To supply a copy of the Executive summary of the Force Management Statement at the meeting in May 2021 – **carried forward to May meeting**

Item 2 - To discuss with EB and Colin Matterson ETAP's involvement and input on an overview of the force ethics work. – complete on today's agenda item 2(i)

Item 3 - To consider and update on ETAP's involvement and review role of the Force's Governance Structure – **carried forward to May meeting**

Item 4 - To give a further update on the Force's Governance Structure in May 2021 - **carried forward to May's meeting**

Item 5 - To advise what the current pension risks the force is facing – complete

Update from JBL

JBL advised that the announcement from the Government have announced a 'pause' on the pension remedy until 2024. JBL is currently working through the options to see what this looks like on the budgets and will report to the Finance Panel with any updates.

Item 6 - To circulate to ETAP members a copy of the Force's Modern Policing Strategy – complete, a copy of the strategy has been provided by JKE and is now available for members in Huddle.

Item 7 - To provide copies of Strategic Governance Board covering Covid matters to ETAP members - complete

Update from DW

DW advised that this item relates to minutes from the Gold meeting (Operation Jafar) which is where the forces responses to COVID 19 are discussed. The minutes of this meeting are not available to share with ETAP members as they are of an operational and sensitive nature.

Item 8 - To report back to ETAP members on the progress against the Asset Management Report Internal Audit Report - complete

Update from EB

EB advised that this advisory audit carried out by RSM and included 20 management actions. These have now been included in an action plan which is managed by the Asset Working Group, the first update on this action plan is due at the end of quarter 1.

Item 9 - To advise ETAP members when the CC and Group Accounts are signed off and published – complete accounts now published

Item 10 - To provide an update to ETAP members on BME levels for recruitment – complete the details have been provided by JKE and are now available for members in Huddle.

2. Deputy Chair's feedback

i. Chair of the Finance Panel - Alan Edwards (AE)

AE advised that the Finance Panel met last month and were presented with the position against the budget for period 8. AE advised that it was pleasing to see the financial position

which was £2.3m underspend compared to the profiled budget. The year end forecast was circa £6.8m below budget after setting outside £3.8m as an addition to reserves.

The panel took an early site of the budget and MTFS which is on the agenda today.

BS thanked AE for this report

ii. Chair of the Thematic Review - Jane King (JK)

JK advised that ETAP members are currently working in three areas:-

Complaints - JB advised that the terms of references are now agreed and she is waiting for a date of meeting looking on how complaints are dealt with and appealed against. JB also confirmed that towards the end of February, the review is going to sample check a couple of complaints.

Covid19 – the review group are keen to undertake local work and now awaiting the national Force report from the HMICFRS which is due early in 2021.

SNP update - JK has had a 'Teams' meeting with a couple of SNP chairs. Ideas for further areas of interest included Contact Centre and Neighbourhood Policing Teams. The suggestion is that ETAP may receive briefings at future P&D meetings on these subjects and they will invite a couple of SNPs chairs to attend.

EB comments that she would like to see the terms of reference for this piece of work including how this relates to the 'effectiveness' of the SNP in their role.

EB also commented that she would like to see a copy of the terms of reference for the SNPs.

EB added looking at the broader issues raised at this meeting, without the force being present at the SNP meeting, she wondered what the levels of concerns were and she asked for further conversations outside of the meeting.

EB commented that *'looking at the length of time we have had SNP panels and clearly the way the Force's Operating Model has changed, I wonder if there is a really good piece of work around the efficacy of the SNPs panel structure moving forward?'*

ACTION: EB to contact the SCO should she have any questions about the SNP areas of work.

Ethics & Review (ERP) - the first meeting of the panel have now been held and the term of reference have been shared for comment with both the Force and FARS and the panel have had some helpful feedback.

A copy of all ETAP thematic reviews published to date can be found on the SCO website <https://staffordshire-pfcc.gov.uk/transparency/etap/>

Q: BS, asked DW, looking at the review on complaints, is there some way of accessing records as members are currently off site?

A: DW, Yes I will look into this and contact JB directly.

Action: DW and JB to agree a process for ETAP members to access a sample of complaint records for the Complaints Review

Q: BS, what are Neighbourhood Tasking Teams?

A: EB, Neighbourhood Tasking Teams are about how we use some of our officers to further enhance Neighbourhood police and are a work in progress.

Q: SW, regarding staff wellbeing including those staff working from home, can the Panel receive assurance that there are measures in place to assess staff at a future meeting?

A: JKE, the Force does have comprehensive data on staff wellbeing which I'm happy to share at a future ETAP meeting.

ACTION: JKE to share an update on staff wellbeing at a future meeting

BS thanked JK for her update.

3. Police, Fire and Crime Panel - (PFCP)

SF advised that the PFCP had last met via Teams on the 1 February.

The main items on the agenda were the Budget for 2021/22, MTFS and the precept amount, and the Treasury, Capital and Reserves papers as presented at this meeting today under Item 4.

Following discussions in private, the panel agreed to support the annual increase of 5.99% (£13.48 Band D) precept and noted the MTFS and additional reports.

PFCP noted their concerns with Police and PCSO numbers and their visibility in the community. They also expressed their concerns over the proposal for the new Capital investment of £19m for the Firing range. The Commissioner reassured PFCP members there at this stage the proposal was only approval for an outline business case and any decision would be for the new Commissioner following the May Elections.

BS thanked SF for her update.

4. Budget 2021/22

- i. Budget 2021/22 and MTFS
- ii. Treasury Strategy
- iii. Capital Strategy and Capital Programme
- iv. Reserves Strategy

DG advised that all four papers on the agenda today were presented to the PFCP on the 1 February.

The precept was approved by the PFCP, the Commissioner's office has now received the approval letter for the 5.99% increase and the precept notifications have been sent to the local authorities this week.

The key points of the papers included:-

There is a challenging financial position for the forthcoming year and behind with some short term stability;

There are uncertainties into the medium term which make planning very challenging, whilst the gap is reducing there still is a gap of £5m into the medium term;

Covid has an impact on the overall financial position and the Force and Fire have been supported by the Government. However, with a reducing council tax base this does have an impact into the medium term going forward.

GM, commented that the Force did make a case to the Commissioner to maximise the full amount of available funds through the precept. GM advised that he is disappointed that the Force were not able to maximise the available funds and DG has highlighted the effects of the challenges the Force will face in the short and long term.

GM added that he welcomed the Reserves position which have been addressed and provides security for the Force going forward.

GM advised that he has written to the chair of PFCP to correct some inaccuracies reported in the media during the PFCP meeting. The Commissioner's office have been fully involved in the discussions of the MTFS, Capital spend and investments including the operations hub and fire arms spend.

Q&A session

Q: TW, Council tax base has decreased by 1.2% due to Covid and any chance of this going up again moving forward?

Q: DG, Council Tax base has dropped as less people have been paying the council tax as a result of more people been made redundant. We are hopeful that this base will increase.

Q: SF, funding of the capital programme with capital receipts, across the MTFS are these receipts which are already received or expected?

A: DG, there is a combination of both, some received and some projected. There is some market risk, but we have not seen any issues with any recent disposals with our experience to date.

Q: SF, looking at the pay pause, how realistic is this that we will be able to pause public sector pay, will this affect the recruitment and retention of staff?

A: DG, looking at the pause pay, at FARS it is recognised this is a real risk as pay is negotiated nationally. I'm not aware that the pay pause will have a significant impact on either recruitment or retention.

A: JK, it might, but we are not expecting the pay pause to have a significant impact.

GM added, there has only been 2/7 years where we have seen not seen a pay freeze under the previous arrangements. In those year where there was no increase we did not see a collation with recruitment issues. There was more of issue with the starting point for the recruitment of officers and the Force has worked its way through this.

Q: CB, 87% of the protected saving have been delivered this year - Was 100% expected?

A: DG, as far as I'm aware forecasting 100% of savings for 20/21 to be made.

JBL, the actual forecast will be around 95%, which is only slightly adrift.

BS thanked DG for his presentation and the reports.

NOTED: ETAP members noted the proposed Police Budget Precept for 2021/22

5. Internal Audit Draft

i. Progress report

AW advised that RSM have issued two final reports since the last ETAP meeting. These are Data Migration and Fleet Utilisation follow up report.

Section 2 highlights the findings in these report.

Appendix A includes the work completed to date, details of the Payroll report that has been issued in draft and details of follow work to be completed

Appendix B as presented before

Asset Management Report will impact the final overall opinion for 20/21, but there is no indication that this the opinion will be qualified.

Q: BS, Appendix B, includes details of the Property Stores., is this still at Hanley?

A: GM, the stores are still at Hanley, but the plan is to decant from Hanley and to move to a property store at Watling Street

Q: BS, Corporate Plan and Project Management, for some time members have had concerns over plans being closed with no further actions, is this still the case?

A: AW, yes we still have further work to do around these areas

Q: SW, ETAP members often do not receive evaluation of projects once they have been finished and never have an opportunities for lesson learnt.

A: AW, yes we have picked up themes throughout reviews and will the focus our on 21/22 reviews will pick this up on a wider scale.

ii. Fleet Utilisation - Follow Up 2020/21

AW, this was a Joint review between the Force and FARS and picked up actions from the Fleet report last year. Reasonable progress has been found and we found that the original

two high priority actions have been addressed and these have been moved down medium priority.

iii. Audit plan 2021/22

AW, advised that the proposed Audit Plan for 2021/22 has previously been shared with the SCO and the Force and is presented to ETAP members today for their comments.

Key areas of the plan include:-

- Asset Management (assured piece of work)
- Fleet Utilisation (to reflect the changes to terms and conditions)
- Fire arms (to give coverage across a number of forces)
- IT (completed by RSM specialist auditors)
- Commissioning (SCO – not looked at previously)
- Governance and Risk Allocations (general item)

AW advised that the 2021/22 draft plan is in line with previous plans and resources.

Q: TW, if the proposed work around the new Fire Arms disposal, will the review look at the new Fire Arm Centre?

A: AW, only if applicable at the time

Q: EB, the wider Force have not seen this plan and have not had the opportunity to have a conversation about the details contained within the plan before this is formally signed off.

A: AW, this is a draft proposal and does need to be formally signed off.

Q: JW, the fees look quite large, can your budget accommodated these?

A: DG, yes, the fees are in line with the budget and the contract arrangements.

AE, added a comment that there were lots of project included the plan of around £3k - £4K. Would the plan be better to have smaller number of projects focusing on the larger risks, should the plan be looking deeper?

GM, echoed AE comments, EB and the Exec Team will raise some concerns on the plan as it goes way behind the responsibility of the Section 151 officers, as it need to include the opinions of specific officers, in particular on Fire Arms, licensing and Crime Recording audit.

Also this is not a budgetary issue, there is an opportunity to look at the plan again, to make sure if does what it need to do including does it contain the right balance between the Commissioner Office and the Force.

BS advised that this was only a draft plan and subject to changes and asked AW to have further meetings with the Force and bring a final plan to the May meetings,

ACTION: AW to present the final audit plan for 2021/22 to the May meeting of the ETAP.

6. External Auditors

HH presented the final Audit letter 2019/20 Final – this contained only a small amount of additional information including the fees for the 2019/20 external audit.

HH, advised that the proposed fees, Page 25 of the letter, have to go to the Public Sector Audit Appointment (PSAA) to be authorised and sign off. These fees are not agreed by management.

AE quoted as a comparison an organisation that is twice the size of the Force and Group, their fees were £80k. AE expressed that he felt that the increase in fees was very excessive.

DG commented that he and JBL had been talking to HH about note 2, page 26, the additional time to substantial this has happened they are more comfortable about the these areas and they have reflected that the audit did take a lot longer this year. However, the overall increase in scale fees of £46k is not supported by DG and JBL.

BS, accepted this paper that has been presented at today's meeting, the proposal of fees will be referred to the PSAA and members would await the decision on fees.

Q: BS, HH will there a requirement be for a separate reporting for Value for Money in 2020/21?

A, HH, yes the Code of Audit has been updated and there will be a requirement for a separate reporting of the Value for Money and Audit Opinion on the accounts from September 2021.

7. AOB

- i. The date and time of the next meeting is on Wednesday 26 May 2021 -10.30