



**TERMS OF REFERENCE**  
**ETHICS, TRANSPARENCY AND AUDIT PANEL (ETAP)**  
**PUBLIC MEETING (under review April 2024)**

**Item 9 (i) AOB ETAP meeting**

**Statement of Purpose**

ETAP is a key component of the Staffordshire Commissioner's Office (SCO), Staffordshire Police's (the force) and Staffordshire Fire & Rescue Service (FARS) corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. ETAP also encompasses the statutory requirements of an Audit Committee.

**2. Responsibilities of ETAP**

The overarching role and purpose for ETAP members is to provide assurance, advice and comment on governance issues. Members will be trained to fulfil their role and fully supported by on-going development and will operate with openness, honesty and integrity, adhering to the seven principles of Public Life (The Nolan Principles).

ETAP members have the responsibilities as contained in the CIPFA 2022: Practical Guidance for Local Authorities and Police. (See Appendix 1)

In its role as Audit Committee, ETAP has legal responsibilities to:

- Review the annual statement of accounts.
- Review the external auditor's opinion and reports to members and monitor management action in response to the issues raised by external audit.
- Consider whether appropriate accounting policies have been followed.
- Notify of concerns arising from the financial statements or from the audit of the financial statements that need to be brought to the attention of the Staffordshire Commissioner, Chief Constable or the Chief Fire Officer.
- Keep under review the effectiveness of the Financial Regulations, Contract Standing Orders and Schemes of Consent, the Medium-Term Financial Strategy.
- Receive reports in connection with Treasury Management, the Treasury Management Strategy on reserves and provisions and consider risks associated with the agreed strategy.
- Consider the external auditor's report to those charged with governance on issues arising from the audit of the financial statements.
- Review internal audit reports and oversee its independence, objectivity, performance and professionalism.
- Be satisfied that the assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it and demonstrate how governance supports the achievements of the objectives

ETAP has specific responsibilities surrounding financial governance and requires a level of expertise to fulfil this function. To meet this requirement ETAP has a Financial Panel which includes ETAP Members with a financial knowledge and other experiences.

ETAP also has responsibilities to provide assurance that high standards of probity, fairness and integrity are embedded through policies and procedures. To meet this requirement ETAP has an



Ethics and Review Panel. There are separate terms of reference for both the Finance Panel and Ethics and Review meeting functions.

Details of specific skill set and responsibilities required of members are in the ETAP Guidance Document.

### 3. Accountability arrangements

On a timely basis:

- ETAP chair will report to the Staffordshire Commissioner, Chief Constable and Chief Fire Officer with advice and recommendations relating to any matters considered relevant to governance, risk management and financial management.
- Report to the Staffordshire Commissioner, Chief Constable and Chief Fire Officer on the panel's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
- Review the panel's performance against its term of reference and objectives on an annual basis and report the results of this review to the Staffordshire Commissioner, Chief Constable and Chief Fire Officer.
- ETAP Chair is required to submit an annual report at the public meeting held in May each year. This report gives a summary of the Panel actions and results during the prior fiscal year along with a summary of attendance and budget outturn. Any known current changes or proposals for potential topics for review may also be included.

### 4. Public Meeting Arrangements

ETAP members are regarded as representing the public in providing an overview of the SCO, Force and FARS. ETAP will hold at least four formal open meetings each year, which the public are free to attend providing transparency of ETAP's recommendations and scrutiny reports. SCO, Force and FARS senior personnel will attend public meetings together with other representatives as required.

Attendees are expected to read and prepare for the meeting. Each meeting will begin with confirmation that the appropriate actions are in place and being acted upon for decisions arising out of the previous meeting.

#### **Secretariat:**

This will be provided by the Office of the Staffordshire Commissioner.

#### **Papers for Agenda Items:**

Identified Report Authors are required to provide relevant papers to the Office of the Staffordshire Commissioner 7 days in advance of the meeting to allow for circulation.

#### **Agenda:**

Circulated with submitted papers a minimum of 5 days in advance of the meeting.

#### **Minutes:**

Minutes of the Public Meetings will normally be produced within ten working days and once approved by the ETAP Chair.



**Publication of Documents:**

Papers for meetings are published on the SC’s website, together with a recording and minutes of each meeting. This provides transparency of ETAP’s recommendations, scrutiny of reports and also provides valuable information of meetings for interested bodies including members of the public.

**5. Meeting Membership**

Below are the minimum numbers of attendees needed in order that the meeting be deemed quorate.

<b>ETAP &amp; Police Public Meeting</b>	<b>ETAP &amp; Fire &amp; Rescue Public Meeting</b>
7 ETAP Members	7 ETAP Members
2 SCO Representatives	2 SCO Representatives
2 Force Representatives	2 FARS Representatives

**6. Review of Terms**

Terms of reference be reviewed annually, or in the instance of significant changes to governance arrangements.

<b>Last Review:</b>	April 2024
<b>Completed By:</b>	Jean Cass
<b>Authorised By:</b>	
<b>Next Review:</b>	

## Appendix 1

Page number and Section	Duty
14, Good Governance	Receive governance reports in practice
14, Good Governance	Monitor action plans related to governance improvements
16, Risk Management	Review audit reports on Risk Management and monitor actions
17, Internal Controls	Review annual audit opinion/recommendation on Internal Control
18, Value for money and best value arrangements	Review any internal audit VFM risks
18, Value for money and best value arrangements	Review external audit VFM opinion and monitor actions
23, Assurance Frameworks & Planning	Consider assurance arrangements
24, Supporting and making best use of audit (External)	Appointment
25, Supporting and making best use of audit (External)	Monitoring
26, Reports from inspectorates or other regulatory bodies	To be made aware of overall conclusions of external assessments from Inspectorates or regulatory bodies
27, Supporting Internal Audit	Review internal audit charter
27, Supporting Internal Audit	Review & recommend for approval the risk based internal audit plan
27, Supporting Internal Audit	Review internal audit budget and resource
27, Supporting Internal Audit	Receive confirmation of organisational independence of activity
27, Supporting Internal Audit	Consider appointment / removal of internal audit contract

27, Supporting Internal Audit	Make enquiries on resource limitations or inappropriate scope
27, Supporting Internal Audit	Review any safeguards in place regarding independence and objectivity
27, Supporting Internal Audit	Receive the annual report
27, Supporting Internal Audit	Discuss with head of internal audit their external assessment and qualifications / independence of assessors
27, Supporting Internal Audit	Receive the internal audit companies external assessment (5 yearly)
27, Supporting Internal Audit	Unfettered access to audit committee chair
28, Supporting Internal Audit	Receive updates from internal audit on findings, issues of concern, actions in hand
28, Supporting Internal Audit	Receive communication on performance relative to plan
28, Supporting Internal Audit	Receive updates additional consulting services not already included in plan
28, Supporting Internal Audit	Receive no conformation reports from internal audit
28, Supporting Internal Audit	Oversee internal audit relationship with other assurance providers
28, Supporting Internal Audit	Receive regular reports on Quality Assurance and Improvement Programme (QAIP) and external assessment
28, Supporting Internal Audit	Review reports highlighting levels of unacceptable risk
28, Supporting Internal Audit	Escalate internal audit recommendations where further action is required.
31, Treasury Management	Review treasury management policy
31, Treasury Management	Receive regular reports to aid understanding of Treasury Management
31, Treasury Management	Review treasury risk profile and risk management
31, Treasury Management	Review assurances on treasury management
31, Supporting Corporate Improvement	Receive assurance actions implemented and recommendations addressed