

**Minutes of the Annual meeting of the GMCA Audit Committee, held on
Wednesday 23rd July 2025 at GMCA, Broadhurst House, 56 Oxford Street,
Manchester M1 6EU**

Present:

Councillor Olly Baskerville	Trafford Council
Councillor Martyn Cox	Bolton Council
Councillor Colin McLaren	Oldham Council
Councillor Elliot Moss	Bury Council
Grenville Page	Independent Member (Chair)
Jackie Njoroge	Independent Member
Paul Stone	Independent Member
Susan Webster	Independent Member

Officers:

Steve Wilson	GMCA Group Chief Finance Officer
Gillian Duckworth	GMCA Group Solicitor and Monitoring Officer
Sarah Horseman	GMCA Deputy Director Governance, Audit and Assurance
Damian Jarvis	Head of Internal Audit, GMCA
Paul Chase	Corporate Risk Manager, GMCA
Lindsay Keech	Head of Finance (Treasury Management), GMCA
Jessica Jordan	Audit Manager, GMCA
Paul Harris	Governance and Scrutiny, GMCA

In attendance: -

Paddy Sadd	Forvis Mazars, External Auditor
Alfie Mather	Finance Intern, GMCA

AC2526-01 Apologies

An apology for absence was received and noted from Councillor John Merry (Salford City Council) (substitute member).

AC2526-02 Appointment of Chair of the Audit Committee 2025-2026

Nominations were sought for the appointment of Chair of the Committee for the 2025/2026 municipal year.

A nomination of Grenville Page was moved and seconded. There were no other nominations were received.

Resolved/-

That Grenville Page be reappointed as Chair of the Audit Committee for 2025/2026 municipal year.

Grenville Page in the Chair

AC2526-03 Chair's Announcements and Urgent Business

On assuming the Chair, Mr Page thanked members of the committee for their support.

The Chair was grateful for the opportunity to attend the launch of the Greater Manchester Strategy which set out GM's ambitions for the next ten years. The Group Chief Finance Officer also gave an update on the Greater Manchester Strategy (GMS) . In addition, updates were also provided in respect of the Transport for City Regions Fund, the Spending Review and the implications for the Integrated Settlement funding, the National Infrastructure and National Industrial Strategies and the publication of the Devolution Bill.

Members noted that an update on the above-mentioned themes and the Authority's investment plans will be the focus of a report to GMCA in September 2025. A separate update was also to be provided to the Audit Committee.

There were no matters of urgent business raised.

Resolved/-

1. That the update on the GMS and associated funding matters be noted.
2. That an update be provided to the Committee at an appropriate time.

AC2526-04 Membership of the Committee 2025-2026

The Chair extended a welcome to all Members of the Committee. As well as welcoming new members, the Chair offered thanks to outgoing members Cathy Scivier, Councillor Dylan Butt and Andrew Simcock, recognising that both Cathy and Councillor Butt have served on the committee for a number of years.

Resolved/-

That the membership of the Committee for the Municipal Year 2025-2026 be noted as follows:-

Councillor Olly Baskerville	Trafford Council (Lab)
Councillor Martyn Cox	Bolton Council (Con)
Councillor Colin McLaren	Oldham Council (Lab)
Councillor Elliot Moss	Bury Council (Lab)
Jackie Njoroge	Independent Member
Grenville Page	Independent Member
Paul Stone	Independent Member
Susan Webster	Independent Member
*Councillor Emily Mort	Bolton Council (Lab)

*Councillor John Merry

Salford City Council (Lab)

*denotes substitute member.

AC2526-05 Audit Committee Terms of Reference

Members considered the Terms of Reference for the Audit Committee.

A Member suggested that section 6.2 of the document be updated to reference Global Internal Audit Standards.

The Chair highlighted the change in the Terms of Reference to specify the need for two Independent members to be present to satisfy quoracy requirements.

Resolved/-

1. That the Terms of Reference for the GMCA Audit Committee, as set out in the report, be noted.
2. **That the paragraph 6.2 of the Terms of Reference be updated to reflect Global Internal Audit Standards.**

AC2526-06 Audit Committee Schedule of Meetings 2025-2026

Members considered the schedule of meetings for 2025/2026. It was noted that there may be a need to convene a meeting of the committee in February 2026 to consider the Annual Accounts backstop proposals.

Resolved/-

That the following programme of meeting dates for the GMCA Audit Committee, be noted: -

- Wednesday 23rd July 2025 commencing at 10:30 am
- Monday 22nd September 2025 commencing at 10:00 am
- Monday 24th November 2025 commencing at 10 00 am
- Wednesday 14th January 2026 commencing at 10:00 am

- Monday 9th March 2025 commencing at 1:00 pm

ORDINARY MEETING BUSINESS

AC2526-07 Declarations of Interest

There were no declarations of interest made by any member in respect of any agenda item.

AC2526-08 Minutes of the Previous Meeting

The minutes of the previous meeting of the committee, held on 19th March 2025 were submitted.

An action tracker is also appended to the minutes.

The Chair asked for an update on those actions in relation to the use of contractors and procurement waiver exemptions.

Resolved/-

1. That the minutes of the meeting of the Audit Committee, held on 19th March 2025, be approved as a correct record.
2. **That an update on the actions referenced in the action log in relation to the use of contractors and the use of procurement waivers exemptions, be shared with the Committee.**

AC2526-09 Update from the Joint Audit Panel

The Group Chief Finance Officer, GMCA provided a verbal update on the work of the Joint Audit Panel.

The update included the recent Panel Member recruitment process and changes to the membership from five members to seven members of the Panel have been reflected in the Panel's Terms of Reference.

The Panel also considered matters relating to key issues currently facing GMP, the impact of the spending review and GMP finances.

The Chair of the Panel also presented his report at the meeting.

Resolved/-

1. That the verbal update on the recent work of the Joint Audit Panel be received and noted.
2. **That the Joint Audit Panel Chair's report be shared with Audit Committee members once available.**

AC2526-10 Head of Internal Audit Annual Opinion 2024/25

The Head of Internal Audit, GMCA introduced a report which provided the Committee with the Head of Internal Audit Opinion on the adequacy and effectiveness of the GMCA's control environment (the framework of governance, risk management and internal control). The report also provided members with an explanation of the basis of that opinion.

The report explained that based on the work undertaken by Internal Audit in respect of 2024/25, the opinion of the Head of Internal Audit is that Reasonable Assurance is provided on the overall adequacy and effectiveness of GMCA's framework of governance, risk management and internal control. Members noted that this opinion remained unchanged from last year, reflecting that the general control environment remains mostly stable against the backdrop of significant change.

In recognising the Reasonable Assurance opinion, a Member sought clarification as to how this opinion was reached and referenced five audits with a limited assurance and another with no assurance opinions. In response, it was noted that the Head of Internal Audit opinion was based on the work being undertaken and that the activities with limited or no assurance opinions were isolated areas of activity. In addition, the emerging GMCA group organisation structure and the Integrated Readiness assurance assessment undertaken by an external provider supported the Head of Internal Audit's Reasonable Assurance opinion.

In noting the report and Member commented that a reasonable assurance was a fair view at this stage and welcomed how the role of Internal audit had been recognised across the organisation's directorates. A request was made for the Readiness Check report to be shared with Audit committee members.

In response to an enquiry from a Member in respect of the timeline associated with the gap assessment for the National Cyber Security Framework referenced in the report, officers confirmed that that this was programmed to progress in December 2025 and any significant issues would be brought to the Committee for consideration.

The Chair summarised the discussion and noted the concerns raised regarding the number of limited assurances in the report and acknowledged the professional judgement of the Head of Internal Audit. Members noted that the Committee will continue to provide appropriate scrutiny on reports provided and controls in the organisation.

Resolved/-

1. That the report and the opinion of the Head of Internal Audit is that **Reasonable Assurance be noted and that this opinion** is provided on the overall adequacy and effectiveness of GMCA's framework of governance, risk management and internal control for 2024/25, be also noted.
2. **That details of the external provider Readiness Check be shared with Audit committee members.**

The Deputy Director Governance, Risk and Assurance, GMCA introduced a report which presented Members with the results of the Audit Committee's self-assessment of its effectiveness.

It was noted that Members of the Audit Committee in 2024/25 and officers who regularly attend the Committee were asked to complete a self-assessment survey. The areas considered in the survey included Knowledge and Skills, Relationships, Corporate Oversight and Reporting, Oversight of Internal and External Audit, and Administration and Operational Arrangements.

Members noted that the report proposed an action plan to be taken forward to address any areas for improvement, including the provision of more informal information sessions with members and officers and also work to develop relationships with the Joint Audit Panel and the Overview and Scrutiny Committee.

It was noted that rather than a survey of members, future effectiveness reviews would be carried out as a member session.

The Chair suggested that for future meetings, the agenda should include a committee review and reflection item to allow Members to provide comments.

In addition, the potential for meetings to take place at other sites was suggested to understand what is happening in other environments across the organisation.

The challenges of time and resources to allow Members to undertake the growing number of deep-dive topics and training was highlighted. Officers would consider this as part of the work programme process.

In welcoming the survey, a Member requested that where possible, that Committee papers be provided in a timely manner.

A Member suggested that it would be helpful for Internal Audit to flag matters of risk and control which is of concern, in order for the effective scrutiny of the Committee to take place.

Resolved/-

1. That the content of the report and the comments of Committee Members be noted and that the proposed action plan, as set out in the report, be supported.
2. **It was agreed that for future meetings, the agenda will include a committee review and reflection item to allow Members to provide comments.**

AC2526-12 Risk Management Update

The Corporate Risk Manager, GMCA took members through a report provided an update on the risk management activities undertaken since the last meeting of the Audit Committee.

Members noted that priority has been given to initiating a review of both the Strategic and Organisational Risk Registers to ensure they reflect Delivery during the first year of the Integrated Settlement; Implications of the national Spending Review; Cyber-attacks in the wider UK economy; Launch of the Greater Manchester Strategy and other strategic planning documents, and Organisational changes.

The report also explained that the Strategic and Organisational Risk Registers had been reviewed by the GM Senior Leadership Team in both May and July, with the aim of ensuring the risk profile accurately reflects the evolving challenges associated with delivering the new GM Strategy and emerging business plan priorities. A clear distinction is being made between risks to the delivery of the newly launched GM Strategy that will require ownership by the wider 'GM system' and specific risks that the Combined Authority will own and manage.

The report provided a summary of those material updates that have been made.

The report also summarised updates to the Directorate risk profile noting that Directorate risk registers are regularly reviewed,.

Members noted the internal tracking process that is in place to manage strategic risks, corporate reporting, and the research in respect of the proposed procurement of a corporate risk software tool.

In response to an enquiry from a Member, officers explained the process involved in identifying the inherent and residual scores with risk owners. Having an understanding of the mitigation activities will assist in lowering scores.

A Member asked how much use of data sets and data analytics are used across the organisation to monitor and identify risks. In response, it was noted the development of quantitative data analysis approaches will grow with significance.

A Member asked if there was clarity on the key measures and indicators for measuring success and managing risks. In response, there was evidence of directorate measures in place and that a collective, corporate approach was to be developed.

Following an enquiry from a Member in respect of reputational risk, it was noted that details of the pioneering approach in GM and the associated risks associated with this approach would be drawn out further in future reporting. Culture and behaviour issues were noted.

Resolved/-

That the Risk Management update, as set out in the report and the comments raised by members, be noted.

AC2526-13 Review of Internal Audit Effectiveness

The Group Chief Finance Officer, GMCA introduced a report which set out the assessment for 2024/25 and actions proposed to ensure ongoing effectiveness and quality of the GMCA Internal Audit service.

It was noted that further requirements would be needed to comply with for 2025/26 and alongside this evolving assessment, an external assessment was also to be undertaken.

A Member highlighted capacity issues for Internal Audit and sought clarification on how this may impact on the risk assessment for the organisation.

Members noted that regular networking takes place with other Mayoral Combined Authorities and noted that GMCA was on a par with these organisations for Internal Audit capacity, however the complexity of the GMCA arrangements, including the role of the Fire Service, and the increased breadth of work, stretched this resource capacity.

Members noted that a recruitment process for additional Internal Audit resources was currently underway.

Following a question from a Member regarding the focus of Internal Audit work, it was noted that a plan was in place to undertake this work. This plan is flexible to support the work of the organisation. In addition, Members were reminded the Audit Plan is considered by the Audit Committee that Management as owners of policies and frameworks, remain accountable for actions and it was not the requirement of the Authority's Internal audit function to review these frameworks.

Members reiterated previous concerns in respect of resourcing internal audit to support the delivery of the risk-based plan for the Authority and they were hopeful that the recruitment exercise would help to alleviate these concerns.

In respect of the External Quality Assessment (EQA) from 2021/22, a Member noted that some recommendations remained outstanding. In response, officers explained that these were the observations and recommendations of the EQA in respect of data analytics. It was noted that work was progressing in respect of these recommendations.

The provisions and the requirements on authorities of the Prevention of Fraud regulations were highlighted. **It was suggested that a paper on these arrangements be shared with Members.**

Resolved/-

1. That the Review of Internal Audit Effectiveness, as set out in the report, be noted
2. That a paper be provided to a future, appropriate meeting of the Committee which summarises the provisions and the requirements on authorities of the Prevention of Fraud regulations and the implications for GMCA.

AC2526-14 Internal Audit Progress Report and Action Tracker

The Head of Internal Audit, GMCA introduced a report which informed Members of the progress made on the delivery of the Internal Audit Plan for 2025/26 and the implementation of agreed audit actions. It is also used as a mechanism to seek approval of changes to the internal audit plan.

It was noted that since the last meeting the following reports had been undertaken:-

- GMFRS: NFCC Fire Standards - Limited assurance opinion
- GMFRS Shift Duty Stations – Reasonable Assurance opinion
- Firefighter Recruitment and PPE Provision – no opinion
- Procurement Act Readiness - No Opinion

In respect of a question from a Member in respect of Audit Action Tracking, it was noted that the ICT and Leaver Process risks were being monitored and included in the team statistical analysis once they fell due. An update on the GMCA Leaver process was also provided.

A Member suggested that a link to Risk Management as part of the Authority's internal control framework be included in the report cover sheet for future reporting.

In respect of overdue actions with the anticipated completion date "To Be Confirmed", it was noted that ongoing discussions with the risk owners take place regarding timelines.

It was suggested that the Audit Committee makes a statement that once reports had been completed, risk owners sign up to dates that they are confident that **actions can be delivered on time, where possible. It was also suggested that the culture be that 100% of actions are delivered. Directorates need to be able to meet the**

deadlines that have been set to support the ambition to deliver outstanding actions.

Members noted that the GMCA Senior Leadership has oversight of the action tracking and that there is additional governance in place to scrutinise actions in relation to GMF&RS activities.

It was noted that the role of consultants, referenced in the action log appended to the minutes, will be resolved during 2025/2026 Quarter 1 reporting.

Resolved/-

That the Internal Audit progress report and implementation of agreed audit actions as set out in the report be noted and to note that there were no changes to the action plan.

AC2526-15 Draft 2024/25 GMCA Annual Governance Statement

The GMCA Group Solicitor & Monitoring Officer and Group Chief Finance Officer, GMCA provided a report which shared the draft 2024/25 Annual Governance Statement for the comment of Members.

It was noted that the finalised of the Annual Governance Statement will be submitted for the consideration of Members at the next meeting of the Committee.

Members noted the new GMCA Group arrangements and the reported improvements in both the Fire and GM Police functions. A Member highlighted that the external survey on the Fire and Rescue Service had identified the service as adequate in terms of emergencies and this comment is not referenced in the AGS.

Following a comment from a Member, officers confirmed that the membership of the Joint Audit Panel comprised wholly of independent members.

In response to an enquiry from a Member, officers provided an overview of the existing collaboration across GM authorities to support procurement and delivery capabilities. The benefits of this approach to support infrastructure, specialist delivery capabilities and the retention and recruitment of expertise was noted.

In response to a comment from a Member, officers confirmed the arrangements for the GMCA Overview and Scrutiny Committee. It was suggested that consideration of the Audit and Scrutiny relationship was to be explored. In addition, a Member suggested that a greater understanding of the role of the GMCA Standards Committee would be welcomed.

A Member noted a typographical error in the document at 6.8 which should read 2024/2025.

Resolved/-

1. That the draft Annual Governance Statement, as set out in the appendix to the report, be noted;
2. That the final Annual Governance Statement be considered at the next meeting of the Committee.
3. That work to develop a working relationship with the Audit Committee and the GMCA Joint Overview and Scrutiny and the GMCA Standards Committees, be explored.

AC2526-16 Annual Statement of Accounts

The Group Chief Finance Officer, GMCA provided a verbal update which advised the committee on the processes involved in undertaking the audit of the 2024/2025 annual statement of accounts. The Assessment of Going Concern item was also taken with this item.

Members noted that the draft accounts for GMCA have been completed but without the impact of FRS16. The technical issues impacting the publication of the Group accounts before the 30th June 2025 publication deadline were noted.

It was proposed that once completed the draft accounts will be considered by the Audit Committee at its meeting in September 2025.

Members also noted that there were no going concern issues to report.

Resolved.-

1. That the update be received and noted.

2. That the draft 2024/2025 Accounts will be considered by the Committee at the meeting in September.
3. That it be noted that there were no going concern issues to report.

AC2526-17 Treasury Management

The Group Chief Finance Officer, GMCA introduced a report which provided members with the GMCA Annual Treasury Management Review 2024/25.

The report summarised information in respect of Capital activity during the year; the Impact of this activity on the Authority's underlying indebtedness, (the Capital Financing Requirement); The actual prudential and treasury indicators; Overall treasury position identifying how the Authority has borrowed in relation to this indebtedness, and the impact on investment balances; Summary of interest rate movements in the year; Detailed debt activity; and Detailed investment activity.

Following an enquiry from a Member which referenced the investment with Birmingham City Council and queried this investment given the Section 114 position of that particular authority, officers explained that GMCA took temporary borrowing from Birmingham City Council and therefore less risk. In addition, the matter of lending to local authorities, GMCA maintains a robust process on those authorities to invest with and local authority borrowing.

In response to an enquiry from a Member, officers confirmed that GMCA maintains a prudent approach and does not budget for investment income from deposit interest. Such investments are treated as an in-year activity.

Resolved/-

1. That the annual treasury management report for 2024/25 and recommend it's approval by the Authority, be noted.

AC2526-18 Assessment of Going Concern

This item was taken with the Annual Statement of Accounts item at Minute AC2526-16 above.

AC2526-19 External Audit Progress Report

Forvis Mazars, External Auditor presented their progress report which provided Members with an update on progress made towards the 2024/25 audit and any other relevant matters. An update of the audit position and the key items currently being considered as part of our risk assessment, were highlighted. A Value for Money Risk Assessment provided outlined details on areas with a risk of significant weakness in arrangements was also reported.

The report explained the 2024/25 audit timeline and gave a status update on this.

Members noted that the 2023/24 audit of the Authority's accounts was 'backstopped' and therefore the External Audit opinion was disclaimed.

The External Auditor explained that the Authority had been unable to publish its 2024/25 Statement of Accounts due to difficulties in relation to implementation of IFRS16. The timeline in the report set out an estimate of achievable milestones based on a materially accurate set of accounts being submitted for audit.

In respect of the Group Accounts, the most up to date guidance on rebuilding assurance and the associated risk assessment was provided. It was suggested that the process for moving from a disclaimed opinion to qualified opinion will most likely take a number of years, however the ambition of both partners was to do so as quickly as possible.

The implementation of IFRS16 as a new accounting standard will present challenges for the Group accounts.

It was noted that there is a requirement for External Audit to provide draft Auditor's Annual Report by November 2025.

A Member asked the capacity of the External Auditor to deliver the Audit on time. In response, it was noted that a signed audit report will be provided by the February 2026 backstop deadline. There is resource available to support this work. There is a shared ambition to move to a qualified opinion, but members recognised the challenges in doing so.

Members expressed disappointment of this position and the consequential impact on treasury management policy for the Authority.

Members requested that they be kept updated on this matter and if there are any changes in meeting deadlines.

Resolved/-

That the report and progress update from the External Auditor, be noted.

AC2526-20 Draft Committee Work Programme 2025/2026

Members considered the draft Committee Work programme that will provide a focus of work for the Committee during 2025/2026 municipal year.

It was suggested that AI Technology and Transport matters be identified as deep-dive topics for consideration by the Committee.

Resolved/-

That the draft Committee Work Programme and the suggested deep-dive topics of AI Technology and Transport matters be noted.

AC2526-21 Post Meeting Reflections

Members provided comments on the meeting, noting that the meeting had a good balance of topics and that the provision of information was welcomed.

Resolved/-

That the update be noted.