

## JOINT AUDIT PANEL

**Date:** Monday 14<sup>th</sup> July 2025

**Time:** 12:45 – 14:30

**Venue:** Room 422, Fourth Floor, GMP Force Headquarters, Central Park, Northampton Road, Newton Heath, Manchester, M40 5BP

**Attendees** Peter Morris (Chair)  
John Starkey (Panel member)  
Ian Cayton (Panel member)  
Foluke Fajumi (Panel member)  
Joanne Downs (New panel member – Part A only)  
Gemma Shephard-Etchells (New panel member – Part A only)  
Phillipa Nazari (New panel member – Part A only)

Chief Constable Stephen Watson (GMP)  
Chief Resources Officer (CRO) Lee Rawlinson (GMP) (online)  
Chief Finance Officer (CFO) Ian Cosh (GMP)  
Jerry Faulkner (GMP - Assistant Director of Finance)

Sara Ashworth (GMP - Head of Strategic Planning, Policy and Governance)  
Hannah Gamage (GMP – Strategic Planning, Policy and Governance)

Steve Wilson (GMCA – Treasurer – Part A only)  
Alfie Mather (GMCA – Finance intern – Part A only)

Sarah Horseman (Deputy Director, Governance, Risk and Assurance)  
Cath Folan (Head of Internal Audit – Police & Crime)

Daniel Watson (Forvis Mazars - Partner (Public & Social Sector))

**Apologies** Kate Green (Deputy Mayor for Safer and Stronger Communities)  
Neil Evans (GMCA - Director Safer and Stronger Communities)  
Claire Postlethwaite (GMCA – Director of Operational Finance)  
Karen Murray (Forvis Mazars - Director (Public and Social Sector))

**M424/JAP Welcome and Apologies for Absence**

Introductions were provided and the Chair welcomed the new panel members. The Chief Constable and CRO apologised for being unable to attend in person.

**M425/JAP Urgent Business (if any) at the discretion of the Chair**

None raised.

## **M426/JAP      Declarations of Interest**

None raised.

## **M427/JAP      Approval of April 2025 and June 2025 minutes and actions**

The minutes were accepted as a true and accurate record.

## **M428/JAP      Chief Constable's Update**

The Chief Constable noted that the Force continues to perform well, including in areas relating to His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) and the iQuanta scores (a system which measures what good looks like in policing). It was noted the Force is achieving well in areas such as:

- Call handling – response times have fallen again for grade 1 and grade 2 jobs.
- Investigating crime effectively.
- Arrests have doubled since 2021, and this is set to grow, bringing people to justice.
- The crime figures have reduced, meaning there are fewer victims of crime each day.
- The productivity for stop and search has grown, with an increase of 394% over the period of his tenure as Chief, through which outcomes have increased. There has also been an increase of 311% in the amount of vehicle stop and searches which have been undertaken. These increases come with no increase in complaints.

There is a focus to ensure this momentum is sustained, with work being undertaken to sustain performance through the operational framework being embedded. GMP is aiming to achieve ratings of 'good' in all and 'outstanding' in some areas in the next round of HMICFRS's police effectiveness, efficiency and legitimacy (PEEL) inspection programme.

The Chief Constable also provided an update on the budget:

- GMP has a balanced budget for 2025/26, which has been achieved through the hard work of the Finance and Human Resources (HR) teams. This has been managed through Operation Rydal, which is designed to ensure a leaner GMP, through a comprehensive review of all service areas. The review has resulted in a reduction in police staff establishment which will be delivered through a voluntary redundancy programme.
- The recent spending review includes a 1.7% per annum real terms increase in funding for policing. The impact of this on GMP's budget is currently being assessed and action will be taken as part of the EE GMP programme to manage the impact over the spending review period.
- GMP will look at other ways to manage finances, including use of technology, management of absence/performance and the maturing of the operating model.
- There will be a focus on neighbourhood policing, adopting a problem-solving approach to minimise demand. The Neighbourhood Guarantee is being worked through.
- GMP continues to recover costs associated with Special Policing Services such as policing football. It will continue to lobby for greater recovery of policing costs associated with football which currently fall on the policing budget but cannot be recovered.
- The Force is also lobbying government to look at higher retention of seized assets from the proceeds of crime to be given to police forces.
- Work with GMCA and Transport for Greater Manchester (TfGM) to create a safer transport system whilst assisting with revenue protection and generation.

When asked about the reason for the increased operational demand it was explained that:

- The reduction in the prison population means GMP is managing the impact of those on early release.

- The policing of protests relating to the Israel- Hamas conflict (Operation Wildflower) continues, which is expensive and GMP is not compensated for.

It was noted that there is a national forthcoming enquiry into child sexual exploitation (CSE).

#### **M429/JAP      Impact of Spending Review 25 and GMP's financial outlook**

In introducing this item CFO Cosh commented that that a letter requesting financial support from the Home Office for Operation Wildflower costs is being prepared.

The paper was presented to the Panel to provide an initial assessment of the review and its potential impact on GMP.

- As the Chief Constable had noted, there will be a 1.7% real terms increase in funding. The increased funding for policing includes the impact of Police and Crime Commissioners (PCC) increasing the precept to the maximum currently allowed within legislation.
- Some cost pressures are apparent now, which can have a clear pressure on the pay forecast and will erode the impact of increased funding.
- There is some uncertainty with the Neighbourhood Guarantee regarding the extent of future funding.
- There are pressures in investments which need to be made, such as IT, however, there is no funding for capital investments.

The CRO explained that long-term horizon scanning is taking place, through to 2050, to estimate what Greater Manchester will look like, and to review the number of officers and staff which will be needed. He also commented that work is ongoing with GMCA to refresh the estate strategy. The panel asked for an update on the estates work at the next meeting.

Steve Wilson commented that there are broader impacts of the spending review, including new strategies to be launched, the funding package for the Combined Authority includes the police and TfGM.

When asked about performance improvements and sustainability, with the plan in place for this, CFO Cosh explained there is a performance framework which is governed through the Victims and Communities Performance Framework (VCPF) Meetings, the Right Care Right Person (RCRP) scheme has produced benefits, business planning work underway and the Force Management Statement (FMS) all help with this.

**ACTION** – CRO Rawlinson to provide an update on the estates work at the September meeting.

#### **M430/JAP      External Audit – Audit Strategy Memorandum 2024/25**

Daniel Watson outlined that under the government reset of local audits, audits must be completed by 17<sup>th</sup> February 2026. The timeline for the audit was included within the paper, and the aim is for the audit to be completed by October 2025.

The risks for the audit were outlined in section 5. The risks included:

- Management override of controls
- Pension liability in accounts

It was noted that the deadline for the value for money work is different to that of the audit. Work for this must be completed by November 2025.

When asked by the Panel about the impact of IFRS16, Daniel explained that this does not directly impact on GMP as the assets are owned by GMCA, although GMP uses these assets and therefore is involved in the preparation for IFRS. Whereas the impact will be included in the GMCA accounts.

#### **M431/JAP      Panel Terms of Reference**

The terms of reference (ToR) presented was the final version, which had been approved by the Chief Constable and the Deputy Mayor. It was noted that the ToR states the Panel will be increased to seven members, however, quorate will remain at three members. The ToR will be brought to the November meeting for further review, as the number of members will move back to five in the new year.

ACTION – The terms of reference to be presented at November meeting for further review, as in the new year the number of members will change back to five.

#### **M432/JAP      Annual Report of the work of the Joint Audit Panel**

The Chair introduced the item by explaining he was pleased to see the external audit work is falling back in line with the timetable. The Chair also noted:

- There is a potential for the increase in financial risks, which requires attention.
- Reserves have reduced, however, the finances have been balanced.
- The long-standing members have two more meetings left in their tenure. The Chair commented that he was grateful for the enthusiasm and commitment shown by all.

This report will also be presented to the GMCA Audit Committee.

#### **M433/JAP      Chief Constable's Draft Statement of Accounts**

The draft accounts were presented to the Panel by CFO Cosh, noting the Force met the deadline to publish the accounts by the end of June. An overview of the accounts was provided for the new members.

The 24/25 accounting period had been challenging. However, the accounts reflected a balanced out-turn which reflected strong collaboration between GMCA and GMP.

The accounts reflected significant capital expenditure mainly in new IT, fleet, operational equipment, funded through borrowing, with consequential capital financing costs.

When asked by the Panel, CFO Cosh explained there are no employer contributions for the Chief Constable's pension as he is not in the police pension scheme.

The Panel asked whether a simplified version of the accounts will be made available to the public. Daniel Watson explained that CIPFA are looking into this, as to whether this is to be mandated.

It was stated the unused annual leave reflected in the accounts reflects the current policy which allows all officers and staff can carry forward a week of leave.

#### **M434/JAP      Draft Annual Governance Statement**

The Annual Governance Statement (AGS) was considered with the accounts. It was noted that the narrative in this paper and the accounts provide a good overview for the new members.

Comments on the accounts from the Panel regarding the AGS are to be emailed to the Force.

The Panel noted the accounts and the AGS

#### **M435/JAP      Internal Audit Effectiveness Report**

Cath Folan introduced the paper to the Panel, explaining the auditing professional standards require IA to maintain a quality assurance programme to assess the extent to which the internal audit function conforms with the IA Standards.

It was noted that the programme must include external and internal assessments with a requirement that external assessments must be carried out once every 5 years, the last one was undertaken in 2022.

This report details the outcome of the annual self-assessment which has concluded that the internal audit team does substantially comply with the standards. Areas for development have been identified for 2025/26 and the majority of these are around the requirements of the New Global Internal Audit Standards which came into effect in April 2025.

#### **M436/JAP      Internal Audit Annual Opinion**

Cath Folan explained that it is a requirement of the internal audit standards that the Head of Internal Audit provides an overall opinion on the effectiveness of the governance, risk management and internal control arrangements within the Force and the GM Mayor's Police and Crime Functions. The opinion is substantially driven from the internal audits undertaken throughout the year, and consideration is given to the implementation rate of actions and other sources of assurance that can be relied upon, for example HMICFRS inspections.

For 2024/25 a reasonable assurance opinion has been provided for the adequacy and effectiveness of the framework of governance, risk management and internal control. This is out of an option of 4 possible assurance opinions, substantial being the highest, reasonable being the next option, followed by limited and finally no assurance.

The report explains the basis of the opinion, which includes the corporate governance and risk management arrangements that are in place and the individual audits that have been undertaken during the year. Examples of other sources of assurance that can be relied on are included in the report, namely HMICFRS Inspections which can be relied upon and demonstrate an improving picture with GMP.

#### **M437/JAP      Internal Audit Progress Report**

Cath Folan noted that the Internal Audit Plan for 2024/25 has now been completed.

The final reports were as follows:

- Capital Expenditure - Reasonable Assurance
- Operation Bridger – Reasonable Assurance
- Governance and Scrutiny Arrangements

Work has started on the 2025/26 plan and when completed will come to a future meeting.

The Internal Audit team vacancy has now been filled, with the new Principal Auditor having started on 14<sup>th</sup> July.

It was also highlighted that Internal Audit attend GMP's Risk and Assurance Board and the Organisational VCPF Meeting.

*PART B - REDACTED*