

Report of the Chair of the Joint Audit Panel

14th July 2025

Annual Report of the Joint Audit Panel

Overview:

The Joint Audit Panel is a key component of the Deputy Mayor for Stronger and Safer Communities (the Deputy Mayor) and the Chief Constable's for Greater Manchester corporate governance framework. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Panel is to provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes in operation within the Chief Constable's Corporation Sole and the GM Mayor's PCC functions.

The Terms of Reference for the Joint Audit Panel requires the Panel to:

- Review its performance against its terms of reference and objectives on an annual basis and report the results of this review to the PCC and the Chief Constable.
- Report to the GMCA Audit Committee on Police Fund activity and assurance.
- Publish an annual report on the work of the panel.

This report summarises the work of the Joint Audit Panel for the year 2024/25 against the requirements of its terms of reference.

Detail:

In this report, the Chair of the Joint Audit Panel provides an overview of the activity of the Panel during 2024/25. It is supported by details of the Panel's operation throughout the year and its key areas of focus, aligned to its terms of reference.

Recommendations:

Members are requested to note the report and approve for onward presentation to the GMCA Audit Committee.

Chair's Introduction

The Joint Audit Panel (Police and Crime) comprises 5 independent members. Our purpose is to help provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual Governance processes in operation within GMP and the Greater Manchester Mayor 's functions. This report covers our work during the period 1st April 2024 to 31st March 2025.

In my introduction, I am trying to provide a little background and brief illustration of some of the matters that the Panel consider. The main body of the report provides the details.

We receive regular reports from the Chief Constable and his staff, internal audit, external audit, HMICFRS, the Deputy Mayor and officers at GMCA and a variety of other sources.

Annual Accounts – Reports of the External Auditors (Mazars)

The external audit of GMP is undertaken by auditors appointed by a Government body. In recent years, there have been significant delays in GMP receiving its audit opinion on its accounts and Value for Money report. This has been a national issue which has impacted on all local authorities. It is good to report that:

- the 2023/24 External Audit has been concluded with a clean Audit Opinion from the external auditor
- the 2023/24 Value for Money report covering the 3 elements of financial sustainability, governance arrangement and improving economy, efficiency and effectiveness concluded that there is not a significant weakness in GMP's arrangements in relation to economy, efficiency and effectiveness
- the 2024/25 Audits are currently at the Planning Stage with a target completion of October 2025 for GMP's accounts. GMP has produced draft financial statements by the deadline of 30th June 2025, and these are being considered at the July Panel meeting.

It is good that the external audit process is returning to a normal timetable for the audit to be undertaken.

Financial environment and Value for Money

The financial environment is very challenging, both for the Force and the people of Greater Manchester. The Audit Panel has continued to focus on financial risk during the year by seeking assurance that appropriate processes of financial control are in place to ensure the delivery of the Police Service and planned changes can be delivered within the resources available and there are adequate contingencies for unplanned events in the medium term.

The Government is looking at measures to make Police forces more efficient to help it deliver improvements in service. Examples in GMP include the delivery of its Neighborhood policing model and system wide delivery model (part of a national programme) re managing mental ill-health demand aiming to provide the Right Care, Right person and reducing the pressure placed on GMP policing resources

The actions to deliver Value for Money and high-quality service are always a key task.

Risk Management, Internal Control, Value for Money and Governance arrangements

GMP has undergone significant change in recent years with a focus on delivering the basics well. Its regulator's assessment (HMICFRS PEEL) was that it was the most improved force in the country for the second year running. The Chief Constable recognises the need for further improvement in effectiveness, efficiency, and value for money. This has led to significant changes being made throughout GMP.

We are aware that change and material change creates risks that needs to be managed. These risks can for example be unintended consequences or creating blockages in earlier or later stages of processes. The use of Internal Audit helps provide assurance and its reports identify areas for improvement which the Panel monitors as a standard item in its meetings.

The Panel also provides a forum to receive the reports of both the Internal and External Auditors and GMP officers on risk management, internal control, value for money and governance issues. It is also keen to see that senior management take appropriate action to implement the agreed actions contained in these reports.

The Audit Panel has continued to focus on financial risk during the year by seeking assurance that appropriate processes of financial control are in place to ensure the delivery of the Police Service and planned changes can be delivered within the resources available and there are adequate contingencies for unplanned events in the medium term. We will continue to seek assurance on the processes in place next year from GMP and GMCA.

As we all know, it's important that the Governance arrangements are comprehensive, effective, and efficient and again the Panel has sought assurance on the arrangements in place.

Vetting

I mentioned in my report last year, Baroness Casey's report on the Metropolitan Police Service that reviewed the Met's leadership, recruitment, vetting, training, culture and communications. It recommended how high standards can be routinely met and how high levels of public trust can be restored and maintained. The Panel has had updates on GMP's progress in implementing the report's recommendations on Vetting.

All Change

The breadth and depth of our agendas has helped our development, and it has been good that we have again been able to put in place a training programme for members of the Panel during the year.

Current panel members will come to the end of their maximum service on the Panel at the end of the year. Plans are in place for a smooth transition.

I thank the Panel members for their contributions, enthusiasm, commitment, and willingness to learn. I am also grateful for the support we have received from GMP and GMCA staff and officers.

Peter Morris
Chair of the Joint Audit Panel
14th July 2024

Introduction

The Joint Audit Panel is a key component of the Deputy Mayor for Safer and Stronger Communities (the Deputy Mayor) and the Chief Constable's for Greater Manchester corporate governance framework. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Panel is to provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes in operation within the Chief Constable's Corporation Sole and the GM Mayor's PCC functions.

The Terms of Reference summarise the core function of the panel and the protocols in place to enable it to operate independently, robustly and effectively.

Membership

The following individuals were appointed as independent Members of the Panel following an open recruitment exercise and interviews.

The terms of reference allows for a maximum of 5 independent members, one member stepped down during 2023/24 as a result the panel have been operating with 4 independent members throughout 2024/25.

The current membership was due to finish their term in December 2024, however this was extended for a further year to enable a handover/shadowing period for new members.

The Panel met five times during 2024/25. Attendance at the meetings has been good demonstrating a commitment to the role and the function of independent challenge and assurance.

Member	April 24	July 24	Sept 24	Nov 24	Jan 25	%
Mr Peter Morris (Chair)	✓	✓	✓	✓	✓	100%
Mr Ian Cayton	✓	✓	✓	✓	✓	100%
Mr John Starkey	✓	✓	✓	✓	✓	100%
Ms Foluke Fajumi	✓	✓	✗	✓	✓	80%

Accountability Arrangements

The minutes of the Joint Audit Panel meetings are provided to the Deputy Mayor and the Chief Constable as well as to the GMCA Audit Committee. In addition, in consultation with GMCA Audit Committee, the Chair of the Joint

Audit Panel has attended the GMCA Audit Committee to present the annual report of the Panel.

Effectiveness of the Joint Audit Panel

To support members in their role, a training programme has been in place and they have received relevant briefing sessions from the Force to improve familiarisation of operational activities, the operating environment and strategic risks, which included:

- GMP's Approach to Capital Investment,
- Understanding New Technology Risks and Opportunities (delivered by MIAA – IT Internal Audit Provider)
- Policing Inspection Programme and Framework for 2025-2029,
- Force Policies - the processes in place for the development, approval, publishing, evaluating and review of Force Policies
- Custody Performance and the impact of Operation Safeguard and Operation Early Dawn on Custody
- Anti-Corruption Unit Overview

The Panel periodically reviews its performance against its terms of reference and reflects on the Panels overall effectiveness; this is due to take place on 14th July 2025.

Key Areas of Focus for the Panel in 2024/25

Governance, Risk and Control

- The Panel reviewed the Annual Governance Statement which is contained within the Chief Constable's Statement of Accounts.
- The Panel received regular updates from the Chief Constable reporting on current priorities and performance.
- The Panel reviewed the effectiveness of the system of internal control, taking account of the findings from internal and external audit reviews. The Panel sought assurance throughout the year from management that control issues identified are being addressed.
- The Panel received quarterly updates on the implementation of internal audit actions. The Panel have paid particular attention to outstanding audit actions in order to satisfy themselves appropriate action is being taken to implement agreed actions.
- The Panel received updates on the risk management arrangements and was provided with the Force's corporate risk register.
- The Panel received regular updates to monitor the progress of the Digital Policing Programme, including the Records Management System.

Internal Audit:

- The Panel approved the 2024/25 internal audit plan in April 2024. At each meeting, the Panel received progress reports for the delivery of the internal audit plan. These reports have been reviewed and scrutinised by Members.
- The Panel received regular reports on the implementation of previous audit actions. Particular attention was paid to “historic” audit actions which have been open for more than 12 months past their target implementation date. The Panel commissioned Internal Audit and GMP to work to reduce the number of historic open actions.

External Audit

- The Panel oversaw the work of external audit including the scope and approach to their work, their fees, and independence.
- Throughout the year the external auditors outline the significant risks and key judgement areas identified within the planning process and subsequently in the work they do.
- The Panel received the External Audit Completion Report for 2023/24 and the Value for Money Commentary for 2022/23. The external auditor issued an unqualified opinion on the Chief Constable's financial statements.

Financial Reporting

- The Panel reviewed the Chief Constable's Statement of Accounts for 2023/2024. To assist this review the Panel considered overviews of the key financial statements from management and reports regarding compliance with accounting standards, key judgements made in the preparation of the financial statements and compliance with legal and regulatory requirements.

Conclusion

The Panel has considered a broad range of issues within its agreed terms of reference throughout the year and where appropriate has called for additional information or action to be taken.

As part of its overall responsibility for providing assurance to the Deputy Mayor and the Chief Constable on the internal control environment, it has monitored the work of internal audit and the response to internal audit findings.

Priorities for 2025/26

As the current membership are due to finish their term in December 2025, a key priority for the Panel is to handover to new members. It is intended that a

period of shadowing prior to December 2025 will take place. To enable this the option of temporarily increasing the number of members by 2 and bringing the new members in before the current one's roll off will be explored.

The Panel will continue to meet regularly in order to review, scrutinise, challenge and provide assurance over the governance, risk management and internal control arrangements across the Force and Mayoral PCC functions in order to ensure the whole system of governance is effective.

Within this context, the priorities for 2025/26 will be:

- Continued focus on the change programme in place to monitor the progress of programmes, including (but not limited to) the Records Management System (RMS)
- Continued focus on GMPs risk management arrangements, with periodic review of the Corporate Risk Register and associated risk management Policies.
- Participating in Audit Panel training sessions to improve familiarisation of operational activities, the operating environment, and strategic risks and to develop where necessary Members' skills. In consultation with the current membership a draft training schedule for 2025/26 has been produced (Appendix 1). It is intended that this will be revisited once the new members come onboard and a new development plan will be produced.
- To review and scrutinise reports arising from each of the internal Audit reviews undertaken during the year and ensure that appropriate action is taken to address any weaknesses identified.
- Receive updates on counter-fraud activities and outcomes.

Joint Audit Panel (Police and Crime)
Schedule of Business 2025/26 – Training

Agenda Item	April 2025	July 2025	September 2025	November 2025	January 2026	Lead to present
Joint Audit Panel link to the GMCA Audit Committee				✓		
Audit Panel Reflections / Review of Performance		✓				
Outline of HMICFRS				✓		GMP
Internal Audit Standards	✓					Internal Audit
Private discussion with Internal Audit		✓				Internal Audit
Assurance mapping			✓			Internal Audit
Outline of role of Internal Audit				✓		Internal Audit
Private discussion with External Audit			✓			External Audit
Outline of role of External Audit				✓		External Audit
Financial reporting					✓	GMP
Balance sheets					✓	GMP
GMCA Finances					✓	GMCA
GMCA crime prevention activities - TBC						GMCA