

GMCA Audit Committee

Date: 24 November 2025

Subject: Risk Management Update Report

Report of: Sarah Horseman, Interim Director – Governance, Risk and Assurance

PURPOSE OF REPORT:

The purpose of this report is to provide Audit Committee with an update on the risk management activities undertaken since the last meeting.

RECOMMENDATIONS:

Audit Committee is requested to note the report.

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Equalities Impact, Carbon, and Sustainability Assessment:

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences - Capital

N/A

Financial Consequences - Revenue

N/A

Number of attachments included in the report:

BACKGROUND PAPERS: N/A

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		No
TfGMC	Overview & Scrutiny Committee	
N/A	N/A	

1 INTRODUCTION AND SUMMARY

This report outlines corporate risk management activities undertaken for the Combined Authority since the last update in September 2025.

The report summarises the challenges currently being faced in the context of the 15 strategic and organisational risks owned by the Combined Authority and the 25 directorate-level risks that are assessed as significant.

For the first time, the target assessment risk scores and key risk actions are included to bring greater visibility of where further mitigation is needed to bring the risk exposure down, and where greater assurance will be sought from risk owners on the effectiveness of their risk treatment.

This corporate risk profile is also placed in the context for work underway to capture and manage risks associated with delivery of the GMS Delivery Plan.

1.1 Strategic and organisational risk and the risk environment.

A quarterly review is underway with owners of risks on both the strategic and organisational risk registers, the outcome of which will be submitted to the GMCA Senior Leadership Team for their collective consideration and approval in December.

The review is being conducted within a complex risk environment that includes macroeconomic uncertainty and high-profile safety and security incidents impacting both our local communities and the partners we work alongside.

Of the 15 strategic and organisational risks reported last quarter, only two were rated at 16 or above (Cyber-attack and Bee Network finances). This review will identify whether that assessment remain correct.

Risk environmental factors impacting specific GMCA risks: -

- The Combined Authorities and local partners collaborate to prevent incidents such as at the Manchester synagogue from creating a polarised or fragmented city-region. The Greater Manchester Strategy itself is designed to create opportunities for all and to promote **cohesion**. There will be a reputational

impact should this not be successful. (*Risks SCA8 - Local or national emergencies, events, shocks / SCA1 - Engagement and collaboration with GM Partners*).

- In addition, the Combined Authority will support Greater Manchester Police as they manage the challenge arising from the housing of **asylum seekers**. (*Risk owned by Safer & Stronger Communities - SSC02 Asylum Seekers*).
- The impact on bus patronage of recent **industrial action** by drivers together with any influence from recent high profile safety incidents on the Bee Network. (*Risk SCA3 – Impact of Bee Network finances on the GMCA*).
- Teams await notification of **Integrated Settlement funding allocations** for the financial year 2026/27, so they may build capacity and capability within delivery. (*Risk SCA2 - Funding and financial resilience / SCA6 - Deliver strategic programmes and pipeline*).
- Recent **high-profile cyber-attacks** highlight the need for continued staff vigilance and regular resilience testing. The Digital team works with the GM Resilience Team on Cyber Resilience Response Planning, while business continuity workshops continue. Further assurance can be generated by teams initiating regular reviews of their contingency planning. (*Risk OCA6 - Cyber-attack or other major resilience event*).

Opportunity for further collaboration: -

- The Combined Authority, GMFRS and TfGM continue to collaborate and share good practice through a '**One Team**' approach to organisational change and leadership development. (*Risk OCA4 Organisational development*).
- Work to leverage the potential of Artificial Intelligence continues, alongside assessment of associated risks. The multi-team AI Forum will support any updates to corporate AI Policy. Close collaboration between Information and

Data Governance and Digital teams ensures strong data management capability as a key mitigation. (*Risk OCA3 – Data management*).

A full list of our strategic and organisational risks is presented within appendices 1 and 2, respectively.

1.2 Risks associated with delivery of the GM Strategy Delivery Plan

Work being led by the Head of Strategy and Performance, and the Chief Resilience Officer will generate a more comprehensive profile of: -

- Risks to delivery of **Delivery Plan** outcomes which will be owned by the SROs for each workstream / portfolio; and
- Risks arising within the **wider city-region** and managed under a new risk framework as part of the stronger LRF trailblazer and GM resilience Forum.

As part of reporting to government of progress against the agreed Outcomes Framework, a short initial summary of risks has been submitted. CA Directors are currently working to refine this list and to review it in December.

1.3 Combined Authority directorate risks

Risk workshops and 1-2-1 discussions are being held to prompt a refresh for any team has been subject to some level of re-organisation such as the new **Economy, Innovation, International and Culture** team, or where there has been limited changes to their risk profile over the last few periods.

Greater focus on target risk assessment: -

- **The target risk score** is the desired level of exposure the risk owner judges can be achieved. A statement for how much risk is considered acceptable or tolerable. The **Target Risk Score** and **key actions** for each risk have been included in Appendix 3.
- Risk owners are being challenged to ensure their target scores are 'realistic'. Judged by the effectiveness of the mitigation employed. The risk register highlights the **gap** between residual and target scores. 9 of the 25 directorate

risks whose residual core is 16 or above, feature a gap of 6 or more. These are raised in the risk review.

2 UPCOMING ACTIVITY

- Quarterly summary of the GMCA strategic, organisational and directorate risk profile to the **GMCA Senior Leadership Team** for review and approval.
- A new '**Introduction to Risk Management**' learning module for staff at the Combined Authority, GMFRS and TfGM has been piloted using selected risk practitioners and preparations for it to be launched through a learning event in the January Learning Skills Festival.

Appendix 1 – GMCA Strategic Risk Register

* A quarterly update is in progress with risk owners for collective review by the GM Senior Leadership Team before the end of quarter 3.

Risk Title and Description	Owner	Risk Causes (to address)	Identified forward Actions*	Inherent Score	Residual Score	Target Score
SCA1 - Engagement and collaboration with GM Partners <i>GMCA fails to use its role to sufficiently engage the GM system to deliver GMS outcomes</i>	Caroline Simpson	- Performance issues of anchor partners. - Events that cause community tensions. - Polarised or fragmented views. - Policy/ planning do not reflect all interests. - Insufficient engagement with residents.	Support community partners and local authorities to maintain community cohesion. Maintain an inclusive engagement built on trust and active listening. (<i>Multiple teams, monthly monitoring and sharing insight</i>).	20	15	10
SCA2 - Funding and financial resilience <i>Insufficient funding to deliver GMCA activity and secure financial resilience.</i>	Steve Wilson	- Insufficient strategic investment. - Limited local or national. - Inability to maximise flexibilities from Integrated Settlement. - High cost of borrowing.	- Secure Integrated Settlement funding for 2026/27. (<i>Finance, Q3/4</i>). - Develop additional investment sources to enable strategic delivery. Monitor economic borrowing rates. (<i>Strategic Investment team, Finance, ongoing</i>). - Complete Task and Finish Groups with government. (<i>Finance/ Economy, Q3&4</i>).	20	15	10
SCA3 – Impact of Bee Network finances on the GMCA <i>Without growth in revenue across the Bee Network there is a risk that the use of GMCA reserves will be required</i>	Steve Wilson	- Lower than anticipated patronage and revenue generation. - Higher operating costs. - Limited scope to increase revenue through fare increases.	- Deliver TfGM Financial Sustainability Plan to grow revenue and manage costs - including contract and commercial management. (<i>TfGM, monthly review 25/26</i>). - Collaboration with partners to improve perception of safety on the Bee Network to encourage growth in patronage (<i>TfGM publish Bee Network Safety Plan, Q4</i>).	20	16	10
SCA4 - Robust policy & decision making – <i>Decision making is sub-optimal making wrong decisions or not having a robust evidence base.</i>	John Wrathmell	- Challenging prioritisation and need for evidence. - Variations in policy between stakeholders. - Lack of clear decision framework. - Uncertainty ion macro environment.	- Completion of GM Strategy Delivery Plan and embedding of associated performance framework into reporting and review culture. (<i>Strategy & Performance, Q4</i>). - Embed the Integrated Growth Pipeline (spatial representation of the GMS Delivery Plan) to help us align investment decisions and resources to our growth ambitions. (<i>Strategy, ongoing</i>). - Complete Governance review (<i>Governance, Q4</i>)	16	12	10
SCA5 – GMCA statutory flagship services and contracts – <i>deliver statutory duties as a Combined Authority (e.g. Waste, Bee Network etc)</i>	Andrew Lightfoot	- Lack of capability, capacity, or commercial value. - Supply chain challenges. - Macro-economic factors e.g., inflation.	- Implement Fire Plan 2025-29. (<i>GMFRS, ongoing</i>). - Implementation of the Contract Management Framework with training and development of accurate data. (<i>Commercial Team, continuing</i>).	20	15	10
SCA6 - Deliver strategic programmes and pipeline. <i>Failure to deliver intended outcomes and to expectations (e.g. Growth Pipeline, Adult Education, Investment Zones etc)</i>	John Wrathmell	- Ineffective planning and / or performance management. Limitations in funding. - Supply chain challenges. - Lack of take up by beneficiaries. - Insufficient powers to, for example acquire sufficient land for development.	- Embed the Integrated Growth Pipeline (spatial representation of the GMS Delivery Plan). (<i>Strategy, ongoing</i>). - Be guided by the GM Investment Strategy that will set out the agreed principles for investing local resources in the pipeline and how they will be applied in practice.	20	15	10

SCA7 - GMCA carbon targets. <i>Loss of ability to influence and secure behavioural change by others to achieve carbon targets.</i>	Mark Atherton	- Failure to deliver GMCA outcomes. - Non-compliance with ISO14001. - Affordability challenges for citizens and organisations to change behaviour.	- Deliver GMCA commitment for GM 5 Year Environment Plan including an Environmental Sustainability Strategy. (<i>Environment, quarterly reporting</i>). - A refresh of the Cobenefits Decision Tool is underway to align with the new GMS, consider new LA socio-economic duties, and frame more around cobenefits than 'sustainability'. (<i>April 26</i>).	20	15	10
SCA8 - Local or national emergencies / events/ shocks <i>Do not respond effectively to local or national emergencies/ events/ shocks.</i>	Kathy Oldham	Ability to keep pace with threats from cyber, extreme weather, terrorism, technological change etc. Failure to anticipate potential external and internal threats together with a lack of testing.	- Identify and resolve any gaps in Business Continuity and Resilience Plans. (<i>Oversight from Governance and the Resilience Team, Q3-4</i>). - Horizon scanning, digital reviews, and wider GM research to anticipate potential challenges. (<i>Resilience Team, Research Team, Digital, ongoing</i>).	20	15	10
SCA9- Maximising devolution <i>Do not maximise opportunities that current and future devolution offers</i>	John Wrathmell	- Failure to spend 2025/26 Integrated Settlement allocation. - Failure to properly utilise the flexibilities provided in the integrated settlement.	Track opportunities in the upcoming Devolution Bill. Including mechanisms that may help the CA support the Economic Inactivity Trailblazer. (<i>Strategy, IDG, Q3-Q4</i>).	16	12	8

Appendix 2 – Organisational Risk Register

As agreed with GM Senior Leadership Team in November 25. Update report to GM Senior Leadership Team in November.

Risk	Owner	Risk Causes (to address)	Key Actions*	Inherent Score	Residual Score	Target Score
OCA1 - Organisational Governance and Decision Making Links to strategic risk SCA4	John Wrathmell	- Governance and procedures not fit for scale of current ambition. - Inconsistent practice across the organisation. - Lack of awareness of process.	- Complete Governance review and implement actions. (<i>Governance, Q3-4</i>). - Approval and implementation of Local Assurance Framework. (<i>Governance, Q3</i>). - Implement GM Strategy Delivery Plan and Performance Framework. (<i>Strategy, Q3-4</i>)	16	12	4
OCA2 – Programme management. <i>Grow programme management capability and capacity to meet challenge</i>	John Wrathmell	- Siloed skills and capability. - Large volume and complexity of pipeline. Pace of transition to Group working.	- Approval and implementation of Local Assurance Framework. (<i>Governance, Q3</i>). - Identify optimum approach to managing scale of programmes required in the pipeline and the GMS Delivery Plan. (<i>Strategy / Place, ongoing</i>). - Address any resource challenges within GMCA programmes which are dependent on Integrated Settlement funding. (<i>People Services, Q4</i>)	16	12	8
OCA3 – Data management <i>Better management and application of data.</i>	John Laurence Curtis	- Senior sponsorship. - GM Data Strategy stalled. - No unified, accessible data standard. - Preventable breaches. - Inconsistent data management and AI use.	- AI Policy in place alongside AI Forum with oversight from SMEs. (<i>IDG, ongoing</i>). - Secure 100% completion data, information, and security training (<i>IDG / people, ongoing</i>).	20	15	10
OCA4 - Organisational development – <i>Ensuring the GMCA has the capability, capacity in place alongside a supported</i>	Mallicka Mandala	Leadership and Teams across 3 organisations not working together as a team to deliver effective services.	- Organisational change activity in support of corporate objectives. Including development of Extended and Group Leadership Networks. (<i>OD Lead, Q4</i>). - Implementation of approved People Plan aligned to GMS Delivery Plan. (<i>People, Q4</i>) - Undertake b-Heard survey. (<i>People, launch Q3</i>).	16	12	8

Risk	Owner	Risk Causes (to address)	Key Actions*	Inherent Score	Residual Score	Target Score
<i>workforce, aligning to the Three Organisations, One Team strategy.</i>		- Imbalance between fixed term contracts and long-term resource requirements. - Lack of understanding of 'Group' Insufficient resource in place fast enough to spend and deliver according to forecast. Pace of change.				
OCA5 - Enhancing our capability in contract management. <i>Successfully deliver a high volume of complex and commercially challenging contracts.</i>	Sam Pickles	- Limited resource within teams to manage volume and complexity of contracts. - Lack of resilience and up to date continuity plans. - Inability to anticipate market change.	Embed Contract Management Framework and adapt to requirements of new procurement regulations. (<i>Commercial Team, Q4</i>).	20	15	10
OCA6 - Cyber-attack or other major resilience event <i>Note: Critical National Infrastructure like GMFRS more make us more of a target.</i>	Phil Swann	- Malicious intent from third parties. - Lack of capability and capacity across teams in charge of key operations. - Legacy technologies or software. - Complacency or failure to complete essential training.	- Complete business case for the 24/7 Security Operations Centre (Q3, 25/26). - Keep the GMCA Cyber Resilience Response Plan up to date and in people's minds. (With GM Resilience Unit, ongoing). - Continuing Cyber Security Programme and assurance from business continuity and disaster recovery planning (<i>Digital team, ongoing</i>).	25	20	15

Appendix 3 - Escalated / "Top" Directorate Risks

There are a number of high scoring directorate risks, some of these links directly to Strategic or Organisational risks but some are discrete and specific to the directorate. The table below shows the 25 with a residual risk score of 16 or more. For the first time the risk assessment 'Target scores', and 'Further Risk Actions' are included. Risk owners are being challenged to track the impact completed and 'in-flight' mitigation is and can have on the risk exposure.

Owner	Risk	Further Risk Actions	Inherent Score	Residual Score	Target Score
Digital	DIGR166 Cyber-attack - GMCA is subject to a cyber-attack.	Expedite business case for new 24/7 Security Operations Centre, (Q3, 25/26).	25	20	15
	DIGR162 Digital Services capacity pressures - to meet GMCA and GM demand for project related support.	Drive through remaining recruitment to fill capacity gaps. Work with directorates to track priority requirements and governance over new escalations.	20	16	6
	DIGR188 Digital, data and technology skills gap - gap in availability and increasing cost of digital technical skills across GM which impacting Digital directorate recruitment.	Work closely with People Services team and use of recruitment agency where required, (ongoing).	20	16	4
Education, Work & Skills	EWS03 Risk around delivery of EWS programmes - scope and scale of work requires greater governance and accountability as further devolution commences.	Seek Integrated Settlement allocation to enable EWS to manage three overlapping risks (Q4, 2025/26). Continue work with Local Authorities, Portfolio Leads and Devolution / Strategic Finance colleagues identifying where provision would be at risk. (Ongoing).	20	16	8
	EWS04 Cessation of current Inclusive Employment (Working Well) and NEET Programmes – with a reduction in support many residents without action.		20	16	8

Owner	Risk	Further Risk Actions	Inherent Score	Residual Score	Target Score
	EWS05 Ensuring EWS has the right staff in place to deliver commitments – where there is devolution and changing work e.g. around policy development and case making.		20	16	8
Finance	FIN11 Strategic Analytical Capability - to make financial recommendations covering prioritisation and governance of funding under the Integrated Settlement.	Provide insight and recommendations into prioritisation of Integrated Settlement funds. (Finance, ongoing).	20	16	8
	FIN03 Contract management - failure to optimise commercial performance, guarantee compliance with regulations, support project outcomes or anticipate supplier collapse.	Continue to support Contract Managers now working to new Procurement Regulations, using the Contract Management Framework, and reporting anticipate / uncover risks. (Contract & Commercial team, continuing).	20	16	12
GMFRS Note: GMFRS currently introducing target scoring into their reviews.	RR4 Capital Programme Funding - future capital investment needs independently sourcing to support organisational requirements that put additional pressures on our future budget.	Investment opportunities captured within case for change. Monitoring costs of borrowing and Inflationary pressures (RR22) particularly in construction.	20	20	20
	RR53 NWFC Mobilisation System Procurement - potential delay to new mobilising system where delay could exceed current maintenance period of the existing system. NOTE: GMFRS alerted to discrepancy with the Inherent Score.	Contract extension signed to June 2026 with the current suppliers providing some mitigation. Project Team are to open up negotiation with supplier to extend further.	15	20	20
	RR39 Spending Review and Funding - 25/26 Budget is a one-year settlement and future funding will be affected. One off funding (Pension Grant & Protection) will not continue or be reduced levels. Local Government Settlement means shortfalls over short to medium term.	Medium Term Financial Planning included a prudent approach to pressures and funding assumptions. Continual updates to the financial planning model as information becomes clearer with communications to decision-making Boards.	20	20	20
	RR54 Industrial Action (Green Book Employees) - service disruptions may occur and result in a reduced service.	Business Continuity Management Group will be set up to consider risk and possible solutions in the event that ballots for Industrial Action are successful.	16	16	16
	RR47 Utilities Pricing - due to current market conditions there is a significant risk of rising prices in utility bills with budgetary consequences.	Assessment of current pricing, markets and usage provided options to partially meet the funding shortfall. Inherent probability reduced 5 to 4. Keep monitoring.	20	16	16
	RR40 FF Pensions - there is a risk that the Home Office grant may be insufficient to cover increased costs, resulting in financial pressure if no further funding commitment is made.	Continuing actions to cover the a) age discrimination case, b) remedy benefits ahead of retrospective legislation and tax issues; and the 2020 Pension Valuation. This has been raised with Home Office. Risk score has been increased.	16	20	20
Information Data Governance	IGR14 Cyber-attack (loss or corruption of sensitive data) causing exposure to reputational damage, legal sanction and/ or inability to operate.	Regular testing and phishing simulations. Review Business Continuity / Contingency and Disaster Recovery Planning. Address weaknesses in data.	20	20	15
	IGR13 Uncoordinated and unacceptable use of AI - proliferation and uncoordinated use of AI weakens assurance over data capture and processing.	The AI Forum informs the use of Co-Pilot, application of the AI Policy, and development of an AI Assessment Framework across GMCA / GMFRS & TfGM.	16	16	8
Place	PLA02 Achievement of net zero / social homes targets - failure to achieve publicly stated strategic environmental targets.	Effective programme management supported by Performance Framework tracking against GMS Delivery Plan targets.	20	20	10
Stronger Safer communities	SSC02 Asylum Seekers - GMP unsighted on the locations of asylum seeker accommodation across Greater Manchester	GMP and partners monitoring tensions and prepared to respond quickly. GMP is engaging with the Border Force looking for further measures.	20	20	15
	SSC07 SARC contracting, funding and therapeutic support - no contract in place, and financial allocation disputed. Significant waiting list for support.	Seeking further external support around a business case.	20	16	12
	SSC15 Confidence in GMP (vulnerable groups and communities) - declining confidence particularly among people experiencing inequality (race, gender).	On-going scrutiny and focus on GMPs EDI plans and continual community engagement.	20	16	16
	SSC20 Indemnity for legally qualified people and independent panel members - Provision to Legally Qualified Chairs and Independent Panel Members in the case they are subject to legal proceeding from challenges to their decision-making.	SSC continues to indemnify all LQPs and IPMs appointed to Police Misconduct Hearings for GMP on a case-by-case basis. The approach has been in place since 2021 and remains the primary mitigation.	25	20	9

Owner	Risk	Further Risk Actions	Inherent Score	Residual Score	Target Score
	SSC22 Remand courts - Lack of consensus regarding the nature of demand at the Magistrates court and how this should be remedied.	Deputy Mayor met with DPP to identify next steps.	20	16	15
	SSC23 Victim attrition and feeling of safety - High level of attrition compared to the national average.	GMCA and HMCTS are piloting immersive training with GMP to improve victim-focused court engagement and investigative decision-making.	25	20	15
	SSC24 Racial Discrimination and Disproportionality - results from double Discrimination Report of Black males in the Youth Justice System and a CPS Report.	CPS currently considering the findings and will report into LCJB as part of the National Programme.	25	20	15
Waste	WR10 Emissions Trading Scheme - Future cost of Trading Scheme may not be in GMCA or LAD medium to long term budgets.	Continue to investigate alternatives to offset the potential increased costs for local Authorities.	25	25	25