

**Minutes of the GMCA Audit Committee, held on Monday 23 February 2026 at
GMCA Offices**

Present:

Grenville Page	Independent Member (Chair)
Councillor Elliot Moss	Bury Council
Councillor Emily Mort	Bolton Council
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 & Monitoring Officer
Sarah Horseman	GMCA Director of Governance, Audit and Assurance
Damian Jarvis	Head of Internal Audit, GMCA
Paul Chase	Corporate Risk Manager, GMCA
Lindsey Keech	Head of Finance (Treasury Management), GMCA
Jessica Jordan	Audit Manager, GMCA
Kerry Bond	Governance and Scrutiny, GMCA

Also in attendance:

Paddy Sadd	Forvis Mazars, External Auditor
Karen Murray	Forvis Mazars, External Auditor

AC2526-57 Apologies

Resolved/-

That the apologies for absence received from Councillors Oilly Baskerville (Trafford), Colin McLaren (Oldham) and Ian Hunter (Stockport) be noted.

AC2526-58 Chair's Announcements and Urgent Business

Resolved/-

1. The Chair updated members on the agreed next steps to strengthen the relationship between Scrutiny and Audit, including forthcoming briefings on the budget and retrofit, and encouraged members to attend these sessions.

AC2526-59 Declarations of Interest

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

AC2526-60 Minutes of the meeting held on 24 November 2025

AC2526-34 GMCA Annual Governance Statement

Steve Wilson, Group Chief Finance Officer, GMCA provided an update on the GMCA Annual Governance Statement, reflecting the final position on the accounts, and a request from the external auditors to add a recognition of the delay in the draft accounts.

GMCA Group and Single Entity Accounts 2024/25:

Members noted that the 2024/25 GMCA Group and Single Entity Accounts will receive a disclaimed audit opinion due to the backstop deadline not being met. The final accounts, published on 23 February 2026, included adjustments linked to IFRS 16 and delays in preparing the draft accounts. A review of resourcing and planning is underway to inform the 2025/26 accounts process.

Resolved/-

1. That the minutes of the meeting held on 24 November 2025 be approved as a correct record.
2. That the appended Action Tracker be noted.
3. That the GMCA Annual Governance Statement 2045-25 update be noted.
4. That reference to the GMP Joint Audit Panel be included in GMCA Governance Structure at Fig.2 of the GMCA Annual Governance Statement 2045-25.

5. That a GMCA Annual Governance Statement update be brought to a future meeting to include the GMCA Group and Single Entity Accounts.
6. That an update on Action Tracker AC4724/25 Risk Management on Child Sexual Exploitation be agreed.

AC2526-61 Update from the Joint Audit Panel

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

The minutes from the Joint Audit Panel meetings held on 14 and 26 November 2025 were presented which gave an update on the work of the Panel and confirmation of the appointment of two new members, Stephen Hinneh and Theresa Walsh.

At the 26 November meeting, panel members approved the Chief Constable's Accounts with an unqualified opinion from external auditors and are now included in the GMCA Group Accounts.

The Chief Constable provided a comprehensive update at the 14 November meeting, an internal audit update and a private session on cyber security.

Following the appointment of a Chair for the Joint Audit Panel, a meeting will be arranged with the Chair of this Committee to discuss opportunities for future joint working.

Members noted the potential implications for Greater Manchester arising from national policing reforms, including the potential transfer of some specialist and serious crime functions to the National Police Service, and the centralisation of forensic services. Any changes will require ongoing monitoring to understand the operational, governance and partnership impacts for GM.

Officers confirmed that a claim for the costs arising from the Heaton Synagogue incident has been submitted and is currently being assessed by the Home Office.

Resolved/-

1. That the update on the work of the Joint Audit Panel be noted.

AC2526-62 GMCA Statement of Accounts

Steve Wilson, Group Chief Finance Officer, provided an update on the GMCA Group Statement of Accounts for 2024/25 and outlined the changes since the draft accounts were published, confirming that the final accounts will receive a disclaimed audit opinion, consistent with previous updates and the 2023/24 position. Members were advised that within the three main components of the Group Accounts, the GMCA Single Entity and TfGM accounts will receive disclaimed opinions, while the GMP accounts will receive an unqualified opinion.

Members noted the key changes between the draft accounts published in October and the final version, including amendments arising from TfGM's audit due to the revaluation of property and the combined impact of bus franchising and IFRS 16 being incorporated. None of these changes affect the Authority's or Group's underlying financial performance for 2024/25.

The Group Accounts have been updated to include the Greater Manchester Low Carbon Urban Development Fund (UDF) Limited Partnership (LP) and Interchange Homes, with associated consolidation adjustments. Additional audit-driven updates were made to TfGM's data to reflect technical accounting updates and audit requirements rather than changes to financial performance.

The Chair placed on record the Committee's thanks to the Group Chief Finance Officer and colleagues involved for their work and dedication in difficult circumstances in bringing the accounts to their current position.

Members noted the circumstances in bringing the accounts to their current position and were assured that a review of resourcing and planning and a forward look is underway to strengthen the 2025/26 accounts process to ensure GMCA and partner officers are better placed to avoid future capacity risks.

Members were advised that communications will include the Annual Governance Statement, publication of the required statutory notices, and prepared responses explaining the disclaimed opinion and its implications.

External audit officers highlighted the significant complexity within the TfGM accounts arising from the incorporation of IFRS 16.

Resolved/-

1. That the final statement of accounts for 2024/25 be noted.
2. That the changes from the draft statement of accounts be noted.
3. That delegation of final sign off to the chair of the committee in conjunction with the Group Chief Finance Officer be agreed.

AC2526-63 Assessment of Going Concern

Steve Wilson, Group Chief Finance Officer, GMCA updated members on the outcome of the assessment made of the GMCA's going concern position, concluding that there is no material risk to going concern.

The only addition since the previous report included that the GMCA on 13 February 2026 GMCA approved the capital and revenue budgets for all combined authority functions for the financial year 2026/27.

Members were advised that future iterations of the Corporate Services Medium Term Financial Plan (MTFP) will incorporate planning assumptions for 2028/29.

Resolved/-

1. That the outcome of the assessment made of the GMCA's going concern position and the conclusion that there is no material risk to going concern be noted.

AC2526-64 Treasury Management Update

Steve Wilson, Group Chief Finance Officer provided an update on treasury management activities for the third quarter of 2025/26.

Following the Government's November 2025 Budget, the Bank of England reduced the Bank Rate to 3.75% in December, with external advisers forecasting further reductions during 2026, supported by lower-than-expected inflation.

GMCA achieved an average investment return of 4.23%, outperforming the SONIA benchmark, with investment performance influenced by the timing of precept payments, grant receipts and capital programme phasing.

During Q4, £100m has been temporarily borrowed ahead of funding expected in April 2026, any existing loan arrangements will be reported in the Q4 update.

Prudential indicators to the end of Q3 continued to show strong performance.

Members were advised that GMCA officers work with Link Treasury Services as the Authority's external treasury advisers who also work alongside Capital Economics in delivering wider economic analysis and reviews and set target rates on Public Works Loans Board (PWLB) borrowing. Link have confirmed that they will provide treasury management training for members following the elections and appointments process.

Members requested that a detailed review on capital requirements and maturing investments be included in the next update.

Officers confirmed that short-term borrowing detailed in the report is for cash flow purposes prior to grant funding being received.

Resolved/-

1. That the report on treasury activities during the third quarter of 2025/26 and the forecast prudential and treasury indicators in Appendix 1 be noted.

AC2526-65 Risk Management Update

Paul Chase, Corporate Risk Manager, GMCA provided an update on the risk management activities undertaken since November 2025.

Key points noted include:

The GMCA is managing 15 strategic and organisational risks and 22 significant directorate-level risks, with ongoing work to strengthen visibility of mitigation and ensure actions are smarter.

A quarterly review was undertaken with directors and considered by the Senior Leadership Team including reassessments of strategic and corporate risks.

Training has taken place with officers, and a risk training e-module has been launched.

Three strategic risks are now rated 16 or above - cyber-attack which encompasses the Group, Bee Network finances and local and national emergencies.

A Local Resilience Forum (LRF) Trailblazer Risk Toolkit is being developed which will be reported on at a future meeting.

The Information Data Governance Team have reviewed their data management risk with artificial intelligence threats proposed to form a separate risk.

The Emissions Trading Scheme 2028 risk assessment remains very high due to the likelihood of substantial costs to Local Authorities and uncertainty whether they feature in long-term budgets or can be reduced.

Officers agreed to bring a more detailed update to the next meeting on the macro level partnership working risk and what it would take achieve the target score.

Officers confirmed that the Inclusive Employment (Working Well) and NEET Programmes is not a new risk, the employment work and skills team have identified the capacity to deliver as a significant concern, further information will be included in the next update.

Officers confirmed that the digital and commercial team work with third party suppliers and contractors to grow assurance and understanding of the risk of a cyber incident in one area of the organisation affecting the whole organisation. Each team has a continuity plan in the event of a cyber-attack. It was agreed that cyber-attack planning be included as a future deep dive and included as an annual update.

Members queried whether the SCA8 risk relating to local or national emergencies should be more specific. Officers confirmed that the LRF Trailblazer Toolkit sets out the relevant organisational hazards and supports a continuity-based approach, with the toolkit used to assess whether any elements of the GMS may be at risk.

Following a member query on whether the GMS education, work and skills priorities should be reflected as a specific risk, given rising unemployment rates among young people, it was agreed that a future risk deep dive would focus on Education, Work and Skills.

Members asked whether artificial intelligence (AI) is being used in GMCA reporting and if so to what extent and whether the use of AI and to what extent it is or will be detailed in reports. Officers confirmed that AI learning modules and policies have been launched

The Chair commented on the NW Collaborative presentation, Leading the Public Sector Through Artificial Intelligence, noting its focus on neurodiversity, supporting staff to realise the potential of AI, and encouraging new ways of thinking and working. Officers confirmed that this is already recognised within GMCA, with an AI learning module launched and policies in place to support neurodiverse colleagues, and that these themes will be reflected in a future deep-dive session.

The Chair suggested that greater clarity should be sought on what is required for each strategic risk to reach its target score, whether those targets remain realistic, and whether the cost of achieving them is proportionate to the level of risk exposure.

Resolved/-

1. That the progress of corporate risk management activity be noted.
2. That the actions being taken by risk owners to strengthen controls, improve the maturity of risk assessments, and ensure alignment with the GMCA's strategic objectives be noted.
3. That future Risk Deep Dives to include the GMCA Resilience Unit, Employment Work and Skills and cyber threats be brought to future meetings be agreed.
4. That a risk on the strategic and analytical service provided by the GMCA financial team be included on the risk register be agreed.
5. That a meeting between Heads of Finance and the Chairs of Audit Committees be arranged to discuss lessons learned and provide assurance of joined-up working.

AC2526-66 Draft Auditor's Annual Report

Karen Murray, Forviz Mazars presented a report updating members on work undertaken for the year ended 31 March 2025 and acknowledged its provisional status pending completion of the audit. The final iteration of the report will be uploaded to the GMCA website.

Resolved/-

1. That the Draft Auditor's Annual Report be noted.
2. That the accounts be endorsed be agreed.
3. That the delegation for the Group Chief Finance Officer and the GMCA Audit Committee Chair - on behalf of the Committee, to sign the accounts be agreed.
4. That the delegation for the Group Chief Finance Officer on behalf of the executive to sign the letter of management representation be agreed.

AC2526-67 Audit Strategy Memorandum & Completion Report

Karen Murray, External Auditor, Forviz Mazars presented a report summarising the work undertaken as the auditor for Greater Manchester Combined Authority for the year ended 31 March 2025 and outlining the responsibilities and the findings from our work have been discharged.

Work on the Audit Strategy has been kept to a minimum due issuing a disclaimed opinion recognising that audits for TfGM and GMP will be carried out in full and feed into the final strategy. TfGM have recently made amendments to their accounts due to complexities in leasing and valuation issues relating to the implementation of IFRS16 meaning these accounts, due to the adjustments, have not yet been audited.

The external auditors placed on record thanks to the GMCA and TfGM officers involved for their work in difficult circumstances in bringing the accounts to their current position by the deadline.

Work will continue with TfGM over the next few months to ensure the accounts are corrected in terms of the right of use assets, leasing transactions, liabilities and some PP valuations to ensure the accounts move from disclaimed to unqualified, followed by auditing of their 2025/26 accounts.

The GMCA 2025/26 accounts will follow a process to rebuild assurance to move from disclaimed to unqualified following removal of data relating to previous years, with 2025/26 accounts being reported on in January 2027, which will include a 2025/26 accounts completion report.

Members were advised that the value for money opinion given by external auditors covers three sub criteria - governance and decisions making, financial sustainability

and economy, efficiency and effectiveness, although there is a weakness in governance, overall, the weakness is in relation to value for money overall.

External Auditors confirmed that their team continues to expand and currently has sufficient capacity, with additional support brought in from other teams where unforeseen issues arise, as was the case with IFRS 16 and the challenges it presented.

It was confirmed that agreed plans of action between GMCA and Forviz Mazars are discussed, agreed and implemented on an annual basis with lessons learned shared regularly.

Resolved/-

1. That the Audit Strategy Memorandum and Completion Report be noted.

AC2526-68 Audit Committee Work Programme

The Committee reviewed the forward work programme and noted the schedule of deep dives and thematic reviews planned through to March 2027.

Resolved/-

2. That the work programme be noted.
3. That future Risk Deep Dives to include the GMCA Resilience Unit, Employment Work and Skills and cyber threats be brought to future meetings be agreed.

AC2526-69 Dates and Times of Future Meetings

Resolved/-

That the calendar of committee meetings be noted, with the exception of September 2026 and June 2027 which are subject to change.

- Monday 9th March 2025
- Wednesday 22 July 2026
- Monday 28 September 2026

- Monday 16 November 2026
- Monday 25 January 2027– Accounts meeting
- Monday 22 March 2027
- Monday 7 June 2027