



Auditor's Annual Report  
Greater Manchester Combined Authority – year ended 31 March 2024

February 2025

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# 01

Introduction

# Introduction

## Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for the Greater Manchester Combined Authority ('the Authority') for the year ended 31 March 2024. Although this report is addressed to the Authority, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.

### Opinion on the financial statements



We issued our audit report on 26 February 2025. Our audit report included a disclaimer of opinion. This means our audit report did not express an opinion on the financial statements and no assurance was provided. It was necessary to issue a disclaimer of opinion as amendments to the Account and Audit Regulations introduced a statutory deadline for publication of the Authority's financial statements. We were unable to complete the audit procedures necessary to obtain sufficient appropriate audit evidence on which to base our opinion before the date the Authority published its audited financial statements.

### Wider reporting responsibilities



We cannot formally conclude the audit and issue an audit certificate until the National Audit Office has communicated the work we are required to undertake as component auditors for the Whole of Government Accounts.



### Value for Money arrangements

We did not identify any significant weaknesses in the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources. Section 3 provides our commentary on the Authority's arrangements.

# 02

Audit of the financial statements

# Audit of the financial statements

## **Our audit of the financial statements**

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. Amendments to the Accounts and Audit Regulations introduced a deadline for publication of local authorities' audited 2023-24 financial statements. Prior to issuing our audit report, the ISAs require us to determine whether we have obtained sufficient appropriate audit evidence based on the audit procedures completed at that date. We concluded we had not obtained sufficient appropriate audit evidence to enable us to express an opinion on whether the financial statements present a true and fair view and have been prepared, in all material respects, in line with the Code of Practice on Local Authority Accounting. Consequently, as required by the ISAs, we modified our audit report and issued a disclaimer of opinion. This means, in our audit report issued on 26 February 2025, we have not expressed an opinion on the Authority's financial statements.

In appendix A we also outline the uncorrected misstatements we identified from the group audit.

# 03

Our work on Value for Money  
arrangements

VFM arrangements

Overall Summary





# VFM arrangements – Overall summary

## Approach to Value for Money arrangements work

We are required to consider whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:



**Financial sustainability** - How the Authority plans and manages its resources to ensure it can continue to deliver its services.



**Governance** - How the Authority ensures that it makes informed decisions and properly manages its risks.



**Improving economy, efficiency and effectiveness** - How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

Our work is carried out in three main phases.

### Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Authority has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources, including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with officers

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

### Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

### Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.




We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Authority. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements** - we make these recommendations for improvement where we have identified a significant weakness in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations** - we make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant, but which still require action to be taken.

The table on the following page summarises the outcome of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements, or made other recommendations.

# VFM arrangements – Overall summary

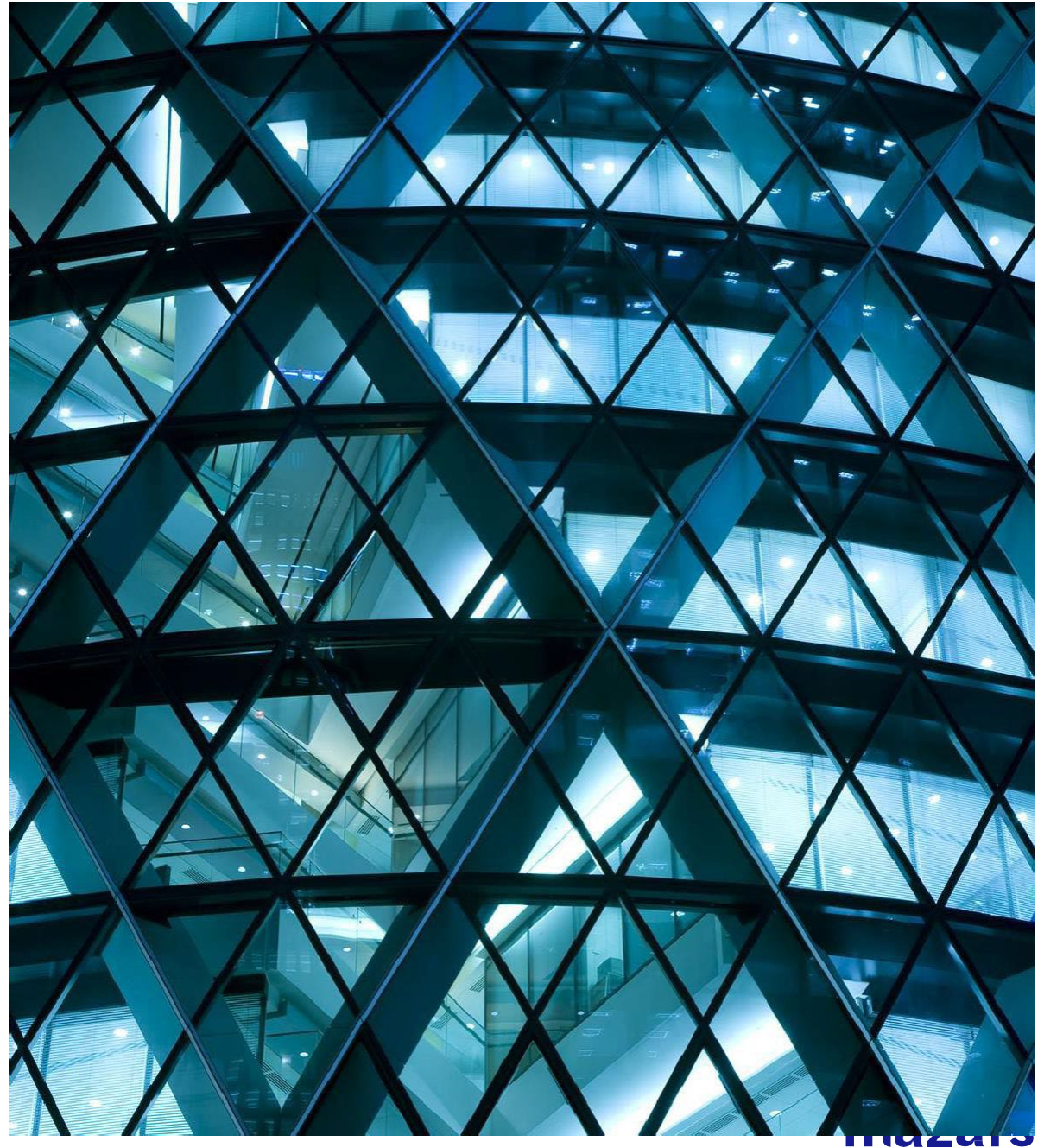
## Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 <b>Financial sustainability</b>	11	No	No	No
 <b>Governance</b>	14	No	No	No
 <b>Improving economy, efficiency and effectiveness</b>	19	No	No	No

# VFM arrangements

## Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services



# VFM arrangements – Financial Sustainability

## Overall commentary on Financial Sustainability

### Background to GMCA's operating environment in 2023-24

During 2023/24 local authorities continued to face significant challenges, against a backdrop of an adverse national economy and a cost-of-living crisis. Given the uncertainties faced by the ten Greater Manchester (GM) Councils as they focus on recovery from the pandemic and increased demand pressures, GMCA must deal with the potential impact on the levies raised from their general fund budgets.

GMCA, with Transport for Greater Manchester (TfGM), progressed in the implementation of bus franchising across Greater Manchester. The Greater Manchester transport 'Bee Network' launched in September 2023 following the implementation of Tranche 1 bus franchising across Wigan, Bolton and parts of Bury and Salford. Tranche 2 commenced in March 2024 with expansion into Rochdale and Oldham. Tranche 3, covering the remaining GMCA area launched in January 2025.

The legacy of the pandemic has had a significant impact on the Authority's transport functions with decreased patronage across the bus and tram network. Although patronage has started to recover, albeit to a lower level than forecast, transport services have continued to face some financial pressure in the context of an increasing cost base. Funding continued to be provided by central government to support the loss of farebox revenues relating to the Metrolink and to provide support in maintaining the level of bus services across the region. Work has continued to negotiate future government support for transport services and to secure more sustainable long-term funding.

During 2023/24, and working in conjunction with the Government, GMCA has continued to develop governance arrangements in preparation for the implementation of the single funding arrangement as part of the Trailblazer Devolution Deal. Notwithstanding this new deal, the financial challenges the Authority will face continue. The adverse national economy and subsequent increases in the cost of living mean the Authority needs to continue pay close attention to its budget position and reassess the impact at regular intervals in order to identify mitigations at the earliest opportunity.

### Financial planning and monitoring arrangements

In February 2023, the Authority and Police and Crime Panel approved balanced revenue and capital budgets for the 2023-24 financial year. These reflected the outcome of the latest Spending Review and the impact on resources available to GMCA throughout the year. Throughout the year the Authority updated its budget forecasts, to ensure budgets remained up-to-date given the challenging financial position.

At the year end, the Authority reported a £2.1m underspend across all functions. We have considered the arrangements in place in respect of budget management as part of the Governance criteria later in this report.

As in previous years, the Authority reported its financial position and outturn to meetings of the full Combined Authority and the GMCA Overview & Scrutiny Committee. We reviewed the reports presented in 2023-24, which contain detail of performance against revenue budgets, with explanations for any significant variances detailed in the report. These Finance reports also contain information on progress against approved capital programme and reasons for over or underspends against the budget profile.

As part of the annual accounts process, management completes a review of its ability to operate as a going concern, highlighting any potential financial risks for the following financial year. In doing so, the Authority considered its 2023-24 financial position and budget framework for 2024-25 in the light of the Trailblazer announcement, the regulatory and control environment applicable to GMCA, and the wider economic environment including pay and price inflation, and the available reserves. The assessment reflects on the challenges faced in the transport budget especially in relation to Metrolink and bus passenger volumes. However, the Authority considered detailed cash flow forecasts, supported by the Treasury Management Strategy and concluded the Authority remains a going concern.

### Arrangements for the identification, management and monitoring of funding gaps and savings

As reported previously, the medium term financial plan is developed with GM Local Authority Leaders and Treasurers to ensure alignment of financial plans based on common assumptions, and a shared understanding of the opportunities and challenges for GM as a whole. An overhead recharge approach had been developed to ensure the costs of corporate functions are allocated in full and consistently applied across all activities of the organisation. This approach has been reflected in the budget for 2024/25 and has enabled the development of three-year medium term financial plan (MTFP) up to 2026/27 for Corporate Services. Our review of outturn reports confirmed the Authority has a good track record in delivering savings and as a result, reported an outturn underspend of £2.1m across all functions.

As reported in previous years, the Authority works closely with Greater Manchester Police (GMP) to develop a Police Fund Strategic Financial Outlook (SFO) for a three year period. This is updated as part of the financial planning process to reflect all known pressures and savings and to ensure police spending is contained within the available resources. The latest SFO reflected the medium term financial impact of the GMP improvement plan known as 'Plan on a Page' developed in response to His Majesty's Inspectorate of Constabulary Fire and Rescue Services (HMICFRS) findings. Current and future financial pressures are identified and reported to the Deputy Mayor on a monthly basis and reflected in the SFO.

The GMCA Chief Executive, in conjunction with Chief Officers (Directors), monitors expenditure against the approved budget which is reported on a regular basis. Variations from the budget allocated are identified and a forecast outturn reflected. likely overspends are identified these are reported promptly to the Treasurer.

# VFM arrangements – Financial Sustainability

## Overall commentary on the Financial Sustainability reporting criteria – continued

### Arrangements and approach to 2024-25 financial planning

The 2024-25 budget was approved by the Combined Authority in February 2024. As previously this focussed on the organisational priorities set out in the Greater Manchester Strategy (GMS). This sets a route for delivering a vision of Greater Manchester as “a place where everyone can live a good life, growing up, getting on and growing old in a greener, fairer more prosperous city-region.”

There are four corporate objectives, agreed by all the political leaders, which define the activity GMCA delivers as a business:

- deliver core/devolved services for the public;
- secure, and manage, funding and investment at GM level for agreed activity;
- work with the 10 local authorities to drive collective activity that puts GM at the forefront of tackling social, economic and environmental issues; and
- ensure GM is speaking with one voice – developing, leading and implementing our evidence-based strategies, building our networks and partnership and influencing policy.

The Authority has developed a three year Corporate Plan which sets out recent key achievements and identifies priority spending areas for each of the four corporate objectives. These headline priorities have then been developed further in the detailed delivery activity listed in the annual Business Plan.

The 2024-25 budget has been prepared to continue the delivery of the Corporate Plan and reflects the following basis and assumptions:

- increase the transport levy to £119.473m which represents a 3% recurrent and 1% non-recurrent increase with no change to the statutory charge set at £86.7m;
- a 3.1% average increase in the waste budget and levy charged to districts;
- an increase in the Mayoral General Precept by £5 to £112.95 for a Band D property; and
- an increase in the Police Precept of £13 for a Band D property.

**Based on the above no significant weaknesses in the Authority's arrangements in relation to financial sustainability have been identified.**

# VFM arrangements

## Governance

How the body ensures that it makes informed decisions and properly manages its risks



# VFM arrangements – Governance

## Overall commentary on Governance

### Decision making arrangements and control framework

The Authority's governance structure is set out within its Annual Governance Statement. The governance framework comprises the legislative requirements, principles, management systems and processes. This is supported by the Authority's constitution and scheme of delegation which shows the levels of authority required for all key decisions. Executive Directors have clear responsibilities linked to their roles and the Committee structure at the Authority allows for effective oversight of operations.

The Authority's Code of Corporate Governance sets out how GMCA operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.

Oversight of the Authority's decision making and wider governance arrangements sits within the committee structure of the Authority. The GMCA Overview and Scrutiny Committee provide scrutiny by:

- reviewing and evaluating the performance of the Mayor and GMCA, and the way they work with partners to deliver for local people;
- contributing to policy development in respect of high profile, complex issues affecting the whole of Greater Manchester;
- investigating more complex cross-cutting issues, with a particular focus on the GMCA's forthcoming responsibilities in respect of the "missions" in the Levelling Up Bill.

The scrutiny function was significantly changed in 2022 after a review that was completed by the Centre for Public Scrutiny. The Centre for Public Scrutiny completed a follow up review in 2023/24, reporting that GMCA had made good progress in implementing their recommendations from the original review.

The Authority has an Audit Committee that meets regularly. Membership of this Committee includes four Independent Persons as well as four elected members. Officers regularly attend committee meetings to support the Committee in exercising their responsibilities. The Audit Committee receives regular updates from the police Joint Audit Panel, providing assurance over policing related areas which fall under the Deputy Mayor's responsibilities.

In order to provide assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud, the Authority has a team of internal auditors, led by the Deputy Director of Audit and Assurance. The annual Internal Audit plan is agreed with management at the start of the financial year and reviewed by the Audit Committee prior to final approval.

We have reviewed the Internal Audit Plan for 2023/24 and confirmed work is planned on a risk based approach. The risk rating of each audit area determines the frequency of audit, with key areas such as ICT services and Finance being subject to annual audit procedures. As previously reported, progress reports are presented to each Audit Committee meeting including follow up reporting of recommendations not fully implemented by agreed due dates. This allows the Committee to effectively hold management to account on behalf of the Authority. At the end of each financial year the Deputy Director of Audit and Assurance provides an opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and control. For 2023/24 reasonable assurance was provided on the overall adequacy and effectiveness of GMCA's framework of governance, risk management and internal control.

From our attendance at Audit Committee we are aware the Committee requests detailed reports and presentations from relevant officers to provide further detail on how risks are being managed or how action is being taken in respect of recommendations arising from limited assurance reports.

### Risk management and monitoring arrangements

GMCA manages risk through the development and regular review and update of the Corporate Risk Register. The Deputy Director of Audit and Assurance is assigned responsibility for risk management across the organisation. GMCA have implemented a standard Risk Management Policy and Framework and guidance for use across the organisation below the Corporate Risk Register level.

The framework enables identification of risk at the Strategic, Organisational, Directorate and Programme level with methods for escalation between the levels as necessary. The Corporate Risk Register is underpinned by engagement with the Chief Executive Management Team and the Corporate Risk Group.

The Corporate Risk Register is regularly presented to Audit Committee allowing oversight of the risk management process. We have reviewed the Authority's Corporate Risk Register and confirmed the assessment covers the areas we would expect, and the risks identified are assigned to appropriate risk owners and are linked to the Authority's corporate priorities.

# VFM arrangements – Governance

## Overall commentary on Governance reporting criteria - continued

### Arrangements for budget setting and budgetary control

The financial planning process commences in late summer and involves detailed consultation with GM local authority Leaders, Chief Executives and Treasurers on each aspect of the GMCA budget process throughout the autumn leading to the approval of the budget in February. The budget reflects the outcome of the latest Spending Review and other impacts on resources available to the Authority, which are reviewed throughout the financial year.

Within GMCA, the financial plans for service areas are determined with the Police, Fire and Crime Panel, Mayor, directors and managers. These plans take account of contractual commitments, planned programmes of work, capacity requirements, external funding and efficiencies. The Police, Fire and Crime panel and GMCA are provided with a timetable for budget setting and the subsequent consultation process for setting the PCC and Mayoral precepts in January of each financial year. For the PCC precept, the amount of funding available is balanced against the priorities set out in the Police and Crime Plan and Strategic Financial Outlook before being presented to the Police and Crime Panel for consideration. Formal budgets are approved at the February meeting of the CA each year. These budgets cover each of the areas the Authority and the Mayor have responsibilities for.

The GMCA Chief Executive, in conjunction with Chief Officers, monitors expenditure against this approved budget. Progress against budget is reported on a regular basis to CA meetings, showing forecast variations from the budget allocated.

The process for reporting the budget to Officers and Members includes monthly reports to leadership and management teams, and to the Deputy Mayor's Executive meetings. Quarterly reports are then prepared and presented to the Authority to summarise the position reported to Officers and to provide the overall financial position for the Authority.

### Greater Manchester Fire and Rescue Service

In May 2017, the functions of the Greater Manchester Fire and Rescue Authority (GMFRS) were transferred by Parliamentary Order to GMCA. Responsibility for the Service sits with the elected Mayor of Greater Manchester, with certain functions delegated to the Deputy Mayor for Policing, Crime and Fire. The aim of this changes is to bring police and fire functions closer together. Scrutiny of the fire service is provided by the Mayor and the Deputy Mayor. Scrutiny of their decisions, and the decisions of officers regarding GMFRS, is the responsibility of the Police, Crime and Fire Panel.

### Greater Manchester Fire and Rescue Service - HMICFRS

HMICFRS completed their latest round of inspections of the Fire and Rescue Service and published the results in March 2024. This assessed the service as "Good" in 10 out of 11 assessment areas, and "adequate" in the remaining area. Two areas for improvement were identified alongside a number of areas of promising practice. No causes for concern were identified.

GMFRS formulated a response to the areas of improvement and embedded them into their Annual Delivery Plan for 2024/25. Progress was tracked through the GMFRS Improvement Board. Additionally, regular updates are received at the to the Police, Fire and Crime Panel, with Fire Officers regularly attended the Panel to provide updates on progress made in addressing actions identified by HMICFRS.

**The evidence obtained above provides sufficient assurance over the arrangements in place to oversee the performance of GMFRS.**



# VFM arrangements – Governance

## Overall commentary on Governance reporting criteria - continued

### Greater Manchester Police

In May 2017, the functions of the Police and Crime Commissioner for Greater Manchester (the PCC) were transferred by Parliamentary Order to the Mayor of Greater Manchester (the Mayor). The Mayor is responsible for the formal oversight of Greater Manchester Police (GMP), the provision of all funding, budget-setting, performance scrutiny and strategic policy development. The Mayor is also responsible for holding the Chief Constable to account for ensuring that GMP is run efficiently and effectively. These responsibilities are carried out by Greater Manchester's Deputy Mayor for Policing, Crime, Criminal Justice and Fire. Operational decision-making on day-to-day policing matters and the employment of police officers and police staff remains the responsibility of the Chief Constable.

### Greater Manchester Police – HMICFRS

HMICFRS reviewed GMP as part of the PEEL continual assessment programme. The last assessment took place in December 2023. GMP was assessed as good or adequate in:

- Preventing crime
- Leadership and Force management
- Investigating crime
- Police powers and public treatment
- Responding to the public
- Protecting vulnerable people and
- Developing a positive workplace

Managing offenders was an area that required improvement.

In addition to PEEL, the Mayor commissioned HMICFRS to review the effectiveness of the GMP and its safeguarding partners' approach to investigating allegations of child criminal and sexual exploitation. The report was commissioned to consider if failings raised in historic reports have been addressed. The inspection will consider the following three areas:

- Inspection of Greater Manchester Police and its safeguarding partners' (including Greater Manchester Combined Authority, and the ten regional local safeguarding children partnerships) approach to investigating allegations of child criminal and sexual exploitation
- How effective is the Greater Manchester Complex Safeguarding Programme peer review process at improving the partnership approach to child criminal and sexual exploitation?
- How effective is the force in carrying out its investigative strategies in relation to four specific operations?

HMICFRS provided an update in December 2024 outlining their progress to date. The letter states that HMICFRS were 'encouraged' and summarises the initial positive findings and areas for improvement. The reviewed is schedule to be completed and a final report issued in summer 2025.

Alongside the letter HMICFRS issued its 'Greater Manchester- National child protection inspection' report. The inspection assessed how good GMP is at safeguarding children who are at risk. The report found GMP to be good or adequate in all areas including:

- Leadership of child protection arrangements
- Working with safeguarding partners
- Responding to children at risk of harm
- Risk assessments and referrals
- Investigating child abuse, neglect and exploitation.

The report does however outline some areas in which GMP needs to improve with four areas for improvement.

Upon publication of the HMICFRS reports, the Deputy Mayor (as the PCC), provided a statutory response which outlined how GMP and the PCC will address the recommendations and areas for improvement. Regular updates are presented to the Police, Fire and Crime Panel covering engagement with HMICFRS and progress made against action plans. The panel regularly receiving performance updates on actions taken to address findings. Actions are now being addressed and closed down on a regular basis, with appropriate scrutiny from the Deputy Mayor effectively holding the force to account for progress in addressing the issues.

### Greater Manchester Police- Baird Review

In August 2023, the Mayor of Greater Manchester commissioned Dame Vera Baird QC to carry out an independent inquiry into the experience of people taken into custody by GMP, with a focus on women and girls. This review was commissioned due to a small number of complaints received by GMP between 2021 and 2023.

The findings of the inquiry were published in July 2024. It identified areas of concern around the use of arrest, care for domestic and sexual abuse survivors, treatment of women and men in custody, use of strip-search, and the handling of complaints. The report made forty recommendations, eight of which were assigned to the Deputy Mayor (GMCA), twenty-six to GMP, and the rest for national organisations such as the Home Office, the NPCC and the College of Policing.

# VFM arrangements – Governance

## Overall commentary on Governance reporting criteria - continued

The Deputy Mayor provided an action plan in response to the recommendations in the report. A series of update reports on progress against the plan have been taken to the Police, Fire and Crime panel for scrutiny by the Mayor and the Deputy Mayor. In the latest update, provided in November 2024, the Force assessed itself to have addressed 24 of the 26 recommendations. Six of eight recommendations for GMCA relate to the establishment of an Independent Scrutiny Panel. In response GMCA have set up such as panel to provide continual scrutiny over GMP's use of arrests and custody performance by using techniques such as 'dip sampling' and random visits.

Many of the identified areas of concerns raised in the Baird review mirror areas of concern and recommendations previously raised in the 2022 joint HMICFRS and Care Quality Commission report on their inspection visit to GMP police custody suites.

In response to the 2022 report a programme of change was commenced by GMP who invested in increased leadership, extra staff, training, technology and greater accountability through audit of performance. As part of their PEEL assessment visit in December 2023, HMICFRS concluded progress had been and were able to downgrade the six 'causes of concern' to 'areas for improvement'.

The approach to overseeing progress in implementing the recommendations from the Baird review follows that taken to deal with the HMICFRS recommendations. Between April and December 2024, HMICFRS had seen sufficient evidence to be able to close all recommendations in relation to the 2022 custody suites review. We have reviewed closure notices from HMICFRS that confirm this.

**The evidence obtained above provides sufficient assurance over the arrangements in place to oversee the performance of GMP.**

# VFM arrangements

## Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services



# VFM arrangements – Improving Economy, Efficiency and Effectiveness

## Overall commentary on Improving Economy, Efficiency and Effectiveness

### Arrangements for assessing performance and evaluating service delivery

The Greater Manchester Strategy (GMS) sets out a vision and overall ambition for the region, structured around 10 priorities. Achievement of these priorities guides decisions around allocation of resources, investment, commissioning, and financial strategies, therefore, understanding how the organisation is performing is key. Underpinning the GMS is an outcomes framework, which sets targets and measures for each of the priorities, and performance against these targets is published in a six-monthly dashboard.

We have reviewed the arrangements that GMCA have in place to monitor the performance of GMP. Such oversight arrangements include expanded performance monitoring as part of the refreshed Police and Crime Plan. The Police, Fire and Crime Panel has developed a more holistic approach to performance management, linked to the priorities set out in the Police and Crime Plan. This takes the three priorities set out in the plan and assigns key performance indicators to each one. The Panel receives a detailed update on performance at each meeting. The panel also receives regular HMICFRS updates to monitor GMP's progress in addressing recommendations raised by the regulator. The evidence obtained provides sufficient assurance over the arrangements in place to oversee the performance of GMP.

In relation to GMFRS we have seen evidence of GMCA managing the performance of the service through regular updates to the Police, Fire and Crime Panel, with Fire Officers regularly attended the Panel to provide updates on progress made in addressing actions identified by HMICFRS and wider findings.

We have reviewed the management of significant contracts, in particular the contracts let by GMCA and managed by Transport for Greater Manchester. Notwithstanding the complexity of some of these contracts, management has been able to demonstrate how oversight of significant contracts has been maintained. There is evidence that contract performance is monitored on a regular basis and actions taken to address areas of underperformance where required.

### Arrangements for effective partnership working

As reported in previous years GMCA and the Greater Manchester Mayor have a major role in partnership working across Greater Manchester across the public, voluntary and private sectors. The Authority often plays a central role of coordinating and convening partnerships. The development and delivery of the GMS and other portfolio strategies are undertaken by the GMCA on behalf of the wider Greater Manchester partnership. GMCA established the Greater Manchester Business Board to replace the Local Enterprise Partnership with four Greater Manchester leaders sitting on the Board. The Authority works closely with the ten local authorities in Greater Manchester in delivering its priorities, per the GMS.

Where partnership arrangements are in place, we have seen evidence of governance arrangements being considered from the outset.

GMCA works closely with the ten local authorities in Greater Manchester and Transport for Greater Manchester (TfGM) in delivering agreed transport priorities. This work is informed by the strategic vision set out in the 2040 GM Transport Strategy which was prepared in partnership with the local authorities and the five year Delivery Plan which sets the objectives for this timescale.

We have seen examples of this effective partnership working through the year, with TfGM supporting the Mayor in the implementation of bus franchising across Greater Manchester. The Greater Manchester transport 'Bee Network' launched in September 2023 following the implementation of Tranche 1 bus franchising across Wigan, Bolton and parts of Bury and Salford. Tranche 2 commenced in March 2024 with expansion into Rochdale and Oldham. Tranche 3 covering the remainder of the GMCA began in January 2025. The Bee Network Committee was set up in 2023/24 with board membership comprising members of each of the Greater Manchester Councils and senior officers from GMCA. This committee was set up to lead transport decision making, and take responsibility for the 'Bee Network'.

### Arrangements for commissioning services

The Authority has a procurement strategy and approach which ensures it complies with all legal and regulatory requirements as well as achieving best value in procurement processes. The Contract Procurement Rules have been issued in accordance with section 135 of the Local Government Act 1972, promote good purchasing practice (including the delivery of social value and the application of ethical procurement principles) and public accountability and deter corruption.

Officers responsible for purchasing must comply with these Contract Procedure Rules. They lay down minimum requirements and a more thorough procedure may be appropriate for a particular contract.

**We have not identified any significant weaknesses in relation to the Improving Economy, Efficiency and Effectiveness reporting criteria.**

Other reporting responsibilities

# Other reporting responsibilities

## Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

## Reporting to the NAO in respect of Whole of Government Accounts consolidation data

We cannot formally conclude the audit and issue an audit certificate until the National Audit Office has communicated the work we are required to undertake as component auditors for the Whole of Government Accounts.

# Appendices

Appendix A: Further information on our audit of the financial statements

# Appendix A: Further information on our audit of the financial statements

## Summary of uncorrected group misstatements

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
<p>Dr: Property, plant and equipment</p> <p>Cr: Revaluation reserve</p> <p>Adjustment relates to the valuation movement for land and buildings that had not been reflected in TFGM's accounts on the basis of materiality.</p>			1,714	1,714
<p>Dr: Accruals</p> <p>Cr: Expenditure- Highways and Transport Services</p> <p>During our testing of accruals we identified two sample items that was not correctly accrued for in 23/24. Applying our audit methodology, we extrapolated this, and if the error was representative of the whole population, expenditure would be misstated by £1,766k.</p>		1,766	1,766	
<p>Dr: Financing and investment expenditure</p> <p>Cr: Other comprehensive income- Remeasurement of Net Defined Liability/asset</p> <p>Relates to the adjustment to recognise the financing element of the movement in the pension asset ceiling.</p>	2,387			2,387
<b>Continued overleaf</b>				



# Appendix A: Further information on our audit of the financial statements

## Summary of uncorrected misstatements

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr: Pension reserve Cr: Net pension liability Represents the difference between the LGPS actuary report used to compile the accounts and a revised LGPS actuary report from Hymans based a full year actuals			1,927	1,927
Dr: Net pension liability Cr: Pension reserves Represents the difference between the LGPS actuary report used to compile the accounts and a revised LGPS actuary report from Hymans based a full year actuals			3,224	3,224
Dr: Net pension liability Cr: Pension reserves Represents GMP's share of a £26m error identified in the GMPF auditor testing of pension assets. This related to the valuation of pooled investment vehicles which had been understated.			1,018	1,018
<b>Continued overleaf</b>				

# Appendix A: Further information on our audit of the financial statements

## Summary of uncorrected misstatements

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
<p>Dr: Net pension liability</p> <p>Cr: Pension reserves</p> <p>Represents GMP's share of a £44m error identified in the GMPF auditor's testing of pension assets. This related to the difference in the GMPF assets when compared to the assets submitted to the actuary.</p>			1,722	1,722
<p>Dr: Prepayments</p> <p>Cr: Expenditure- Policing services</p> <p>During our testing of expenditure we identified one sample items that was not correctly accrued for in 23/24. Applying our audit methodology, we extrapolated this, and if the error was representative of the whole population, expenditure would be misstated by £1,443k.</p>		1,443	1,443	
<p>Dr: Financing expenditure- pensions interest cost</p> <p>Cr: Pension reserves/Other comprehensive income and expenditure</p> <p>Relates to the adjustment to recognise the financing element of the movement in the pension asset ceiling.</p>	6,386			6,386
<b>Total</b>	<b>8,773</b>	<b>3,209</b>	<b>12,814</b>	<b>18,378</b>

# Contact

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