

GREATER MANCHESTER COMBINED AUTHORITY

DATE: Friday, 29th September, 2023

TIME: 10.30 am

VENUE: Banqueting Room, Leigh Sports Village, Leigh
Stadium, Sale Way, Leigh, WN7 4JY

AGENDA

6. **GMCA Audit Committee - 20 September 2023** 1 - 20

To note the minutes of the GMCA Audit Committee held on 20 September 2023.

8. **Greater Manchester Business (GMLEP) Board - 19 July & 19 September 2023** 21 - 28

To note the minutes of the Greater Manchester Business (GMLEP) Board held on 19 July & 19 September 2023.

For copies of papers and further information on this meeting please refer to the website www.greatermanchester-ca.gov.uk. Alternatively, contact the following

Governance & Scrutiny Officer: Governance and Scrutiny

✉ sylvia.welsh@greatermanchester-ca.gov.uk

BOLTON	MANCHESTER	ROCHDALE	STOCKPORT	TRAFFORD
BURY	OLDHAM	SALFORD	TAMESIDE	WIGAN

Please note that this meeting will be livestreamed via www.greatermanchester-ca.gov.uk, please speak to a Governance Officer before the meeting should you not wish to consent to being included in this recording.

This agenda was issued on 27 September 2023 on behalf of Julie Connor, Secretary to
the
Greater Manchester Combined Authority, Broadhurst House, 56 Oxford Street,
Manchester M1 6EU

Agenda Item 6

**MINUTES OF THE ANNUAL MEETING OF THE GREATER MANCHESTER
COMBINED AUTHORITY AUDIT COMMITTEE, HELD ON FRIDAY 20TH
SEPTEMBER 2023 AT THE GMCA OFFICES, TOOTAL BUILDINGS,
MANCHESTER M1 6EU**

Present:

Councillor Dylan Butt	Trafford Council
Councillor Caroline Carrigan	Stockport Council
Gwyn Griffiths	Independent Member
Councillor Shelley Lanchbury	Manchester City Council (Substitute Member)
Grenville Page	Independent Member (Chair)
Catherine Scivier	Independent Member
Susan Webster	Independent Member

Officers:

Steve Wilson	GMCA Treasurer
Andrew Lightfoot	GMCA Deputy Chief Executive
Rachel Rosewell	Deputy Treasurer, GMCA
Sarah Horseman	GMCA Deputy Director, Audit and Assurance
Damian Jarvis	GMCA Internal Audit Manager
Paul Harris	GMCA Senior Governance and Scrutiny Officer

In attendance:-

Joe Broom	Mazars, External Auditor
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AC 01/24 Apologies For Absence

Apologies were received and noted from Councillors John Merry, Mary Whitby and Christine Roberts (sub), Councillor David Molyneux, Portfolio Lead Member and Dawn Watson, Mazars

AC 02/24 Appointment of Chair of the Audit Committee 2023-2024

The Clerk sought nominations for the appointment of Chair of the Committee for 2023/2024.

A nomination for Grenville Page was moved and seconded.

RESOLVED/-

That Grenville Page be appointed as Chair of the GMCA Audit Committee for the 2023/2024 municipal year.

GRENVILLE PAGE IN THE CHAIR

AC 03/24 Chair's Announcements and Urgent Business

There were no announcements or items of urgent business reported.

AC 04/24 Membership of the Committee 2023-2024

The Chair extended a welcome to Councillors Dylan Butt, Christine Carrigan, and Shelley Lanchbury as new members on the Committee. In welcoming the new members, the Chair also wished to record his thanks to outgoing members Councillors Sarah Russell, John Walsh and Tom McGee, for their contributions to the work of the committee.

RESOLVED/-

That the following membership of the Committee for the Municipal Year 2023/24, be noted:-

Councillor Dylan Butt	Trafford Council (Con)
Councillor Christine Carrigan	Stockport Council (Lab)
Councillor John Merry	Salford City Council (Lab)
Councillor Mary Whitby	Bury Council (Lab)
*Councillor Christine Roberts	Wigan Council (Lab)
*Councillor Shelley Lanchbury	Manchester City Council (Lab)
Gwyn Griffiths	Independent Member
Grenville Page	Independent Member (Chair)
Catherine Scivier	Independent Member
Susan Webster	Independent Member

*denotes Substitute Members:

AC 05/24 Members Code of Conduct and Register of Interest

Members were reminded of their obligations under the Code of Conduct, and to complete their Annual Declaration of Interest form if not already done so.

AC 06/24 Audit Committee Terms of Reference

Members considered the Terms of Reference for the GMCA Audit Committee.

Members suggested that the Terms of Reference be updated to clarify that a minimum of two Independent members were needed to be included in the quorum of six members.

Members also requested that the Committee's Terms of Reference should also be revised to state that the Audit Committee has the ability to influence the Audit Plan and also has the responsibility to review the Standing Financial Instructions.

RESOLVED/-

That the Terms of Reference for the GMCA Audit Committee be noted and that the GMCA be recommended to adopt the following amendments to the Terms of Reference:-

- To specify that a minimum of two Independent members are required to be in attendance in order for a quorum of six members to be met.
- To reference that that the Audit Committee has the ability to influence the Audit Plan.
- To reference that the Audit Committee has responsibility to review the Standing Financial Instructions.

AC 07/24 Code of Corporate Governance

Members considered the Code of Corporate Governance as set out in Part 7 (Section E) of the GMCA Constitution.

A Member suggested that the wording within the document be reviewed.

RESOLVED/-

1. That the Code of Corporate Governance be noted.
2. That the wording within the document be reviewed to provide a plain English version.

AC 08/24 Audit Committee Schedule of Meetings 2023/2024

RESOLVED/-

That the following programme of meetings for 2023/24 be noted: -

Wednesday 20th September 2023.

Wednesday 15th November 2023

Wednesday 24th January 2024.

Wednesday 13th March 2024.

Meeting will commence at 10:00 am unless otherwise notified.

ORDINARY MEETING BUSINESS

AC 09/24 Declarations of Interest

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

AC 10/24 Minutes of the Previous Audit Committee Meeting

The minutes of the previous meeting of the Audit Committee held on 15th March 2023 were submitted.

RESOLVED/-

That the minutes of the meeting of the Audit Committee, held on 15th March 2023, be approved as a correct record.

AC 11/24 Update from the Joint Audit Panel

Audit Committee Members considered an update on the work of the Joint Audit Panel and the minutes from the last Joint Audit Panel meeting which took place on 1st August 2023.

Members noted that an Annual report from the Joint Audit Panel Chair will be provided to the next meeting of the Committee.

It was noted that there has been an improvement in the Head of Audit and Assurance opinion for 2022/23 which is now at a Reasonable level of Assurance.

Members noted that an update in relation to the recent data breach which will be provided at the next Joint Audit Panel.

Following an enquiry from a Member regarding the costs associated with the IOPS software project, officers explained that the Joint Audit Panel continued to monitor this project, particularly in relation to contractual matters, the rectification of associated issues and the long-term approach. Officers undertook to raise the Committee's request for further assurance associated with the IOPS project with the Joint Audit Panel.

A Member suggested that a future deep dive topic could include the process of Police and Fire Service recruitment and their respective vetting processes. In response, it was noted that the Joint Audit Panel had recently considered the Police vetting processes and an update on this will be provided to the next meeting of this Committee.

RESOLVED/-

1. That the update from the Joint Audit Panel be noted.
2. That the Chair of the Joint Audit Panel be invited to the next meeting of the Audit Committee to present the Annual Report.
3. That an update on GMP and Fire service recruitment vetting process be provided to the next meeting of this Committee.

AC 12/24 Audit Committee Annual Report

The Chair introduced a report which presented Members with a retrospective review of the work of the committee during the previous municipal year.

In welcoming the report, a Member suggested that a statement be included in future iterations which will qualify reasons for Member absence.

Members noted an update in respect of the delays to the audits for the 2021/22 and 2022/23 annual statement of accounts. The update advised the Committee of those national issues that has caused the delays to the audit process. Members noted that the Department for Levelling Up and Communities (DLUC) was to consult all local authorities to seek comments on how to deal the outstanding audits. The views of the Audit Committee would also be sought.

A Members highlighted that in respect of the aerated concrete issues (RAAC), any surveys would take a significant time to complete. This would impact on the timeframe for signing off the outstanding audits.

An update in respect of RAAC within GMCA and GMP assets will be provided to the next meeting of the Committee.

RESOLVED/-

1. That the report be received and noted.
2. An update on RAAC within GMCA and GMP assets will be provided to the next meeting of the Committee.

AC 13/24 Internal Audit Opinion 2022-2023

The Deputy Director Audit and Assurance, GMCA introduced a report which provided Members of the Audit Committee with the Head of Internal Audit Opinion on the effectiveness of the framework of governance, risk management and internal control

at Greater Manchester Combined Authority (GMCA) for the year ended 31 March 2023. Members noted that a Reasonable level of assurance was reported for this period.

The report outlined the regular reporting of performance management matters to senior management, risk maturity and peer review processes.

In welcoming the improving performance overall, a Member also raised concerns regarding limited assurance in areas such as ICT and Digital. It was suggested that such areas continue to be fast moving and for this reason any recommendations should be implemented in a timely manner.

A Member suggested that it would be helpful for Members to receive a briefing paper on Section 114 matters and key learnings from other combined authority and local authority areas.

In respect of the Audit Tracker, a Member suggested that where the Audit recommendation had an overall limited assurance, that this be highlighted in the tracker. In addition, it was noted that formal follow up audits were to be undertaken when a limited assurance had been received.

RESOLVED/-

1. That the Reasonable level of assurance recommended by the Head of Internal Audit Opinion 2022/23, for the reasons set out in the report, be noted.
2. That a briefing paper be prepared for Members explain the reasons for some authorities entering into Section 114 arrangements, be noted.
3. That where the Audit recommendation has come from an overall limited assurance, that this be highlighted in the tracker.

AC 14/24 Annual Governance Statement 2022-2023

The GMCA Treasurer introduced the 2022/23 Annual Governance Statement for final comments ahead of publication.

Members noted that the draft Annual Governance Statement now included the addition of the independent first year review of the GMCA scrutiny function (Section 4 refers) and several minor amendments that bring the Statement fully up to date.

A Member highlighted that the arrangements under the Trailblazer Devolution Deal, particularly the replacement of the current grant regime with a single settlement arrangement. It was suggested that a briefing be provided for members so that they can fully understand budget and control environment under the single settlement arrangement. In addition, assurance was sought in respect of those risks associated with Metrolink, bus and energy, as part of the electrification of transport. In response, Members noted that the Trailblazer will be part of a Deep Dive topic for a future meeting of the committee. In addition, members also noted that the single settlement will come into effect during 2024/2026. Members were reminded that the committee reviewed transport fare risk last year and would also bring this matter back as a Deep Dive topic to a future meeting of the Committee.

Members noted that officers were to explore how regular assurance reporting on key strategic risks and the actions to mitigate these risks can be treated. A suggestion of complementary Member briefings in respect of such key risks was suggested alongside the monitoring of controls.

RESOLVED/-

1. That the Annual Governance Statement for publication alongside the Statement of Accounts, be endorsed subject to the comments raised by Committee members.
2. That a Deep Dive on Trailblazer and the Single Settlement be brought to the November meeting of the Committee.

AC 15/24 Risk Management Update

The Deputy Director of Audit and Assurance, GMCA introduced a report which informed Members of the Audit Committee of changes in the GMCA Strategic and

key operational risks and to provide an update on the risk management activities undertaken since the last Meeting.

Members noted that a risk workshop with the Senior Leadership Team was facilitated in the summer to specifically review the organisational risk register to ensure it reflected the current environment. It was also noted that this collective review identified specific themes that should form that organisational level risk register, which at a high level include:

- Resilience – the current risks refer to Covid19, moving forward the risk(s) around resilience will reflect more general risks to continuity while at the same time utilising the effective actions we introduced during the pandemic as continuing mitigation against future threats to continuity;
- Devolution – the trailblazer devolution deal will bring with it significant organisational change which will need to be managed and implemented as well as significant changes in funding (single settlement), governance and accountabilities (which will be reflected in the Strategic risk register)
- Staffing and workplace – wellbeing, recruitment and retention, capacity
- Finance and Commercial – contract and commercial management, budgetary control
- Environmental – failure to meet our organisational goals and targets around climate change and sustainability.
- Cyber and information security – risks that are prevalent across the organisation therefore requiring organisational level mitigations.

A Member asked that in respect of Cyber Security, regular updates be provided to the Committee. In response, an Audit on Threat and Vulnerability was taking place and an update will be provided to a future meeting.

Following an enquiry from a Member in respect of the Waste Management Strategy, officers noted that the delay presents challenges and uncertainty, particularly as the re-procurement of the Waste contract will have to take place with this uncertainty.

A Member asked if there is succession planning in place for Senior Management positions within GMCA. In response, it was noted that internally, there are development opportunities in place for staff to develop to managerial positions. In addition, these development opportunities, aligned with hybrid working policies has

helped with staff retention. An overall update on staffing matters can be provided to a future meeting, together with headline outcomes from the GMCA Be Heard Survey.

In respect of the new risk of declining confidence in GMP around vulnerable groups and communities - particularly among people experiencing inequality in race and gender, a Member highlighted the work needed to be done to reduce inequality across GM. The pressure on housing associations to provide responses to anti-social behaviour, which is outside their legal responsibility, was noted. Offices undertook raise this matter with the Police and Crime Team within GMCA. In addition, officers also highlighted the ongoing discussions taking place with Integrated Care Board and as part of the Public Service Reform agenda.

A Member suggested that in respect of the Summary of Strategic Risks schedule, as appended to the report, target scores should reference the target dates when the scores will be achieved.

RESOLVED/-

1. That the Risk Management update and comments made, be noted.
2. That an overall update in respect of recruitment and retention be provided to a future meeting of the committee.
3. That headline outcomes from the GMCA Be Heard Survey be shared with Committee Members.

AC 16/24 Internal Audit Progress Report

The Deputy Director of Audit and Assurance, GMCA introduced a report which informed Members of the Audit Committee of the progress made on the delivery of the Internal Audit Plan for Quarter 1 and 2 2023/24 and presented the finalisation of outstanding reports from 2022/23.

Members noted that this process is also used as a mechanism to approve and provide a record of changes to the internal audit plan. Members also noted that there were no changes to the Plan at this time.

Members noted that since the last meeting in March 2023, nine audit reports from 2022/23 plan have been finalised and published. The Executive Summaries from these reports were appended to the report and were considered as part of the Head of Internal Audit's annual assurance opinion for 2022/23. The reports were:

- Non-AR Income – reasonable assurance.
- Supporting Families Programme System Audit – reasonable assurance.
- GM One Network Project Governance - reasonable assurance.
- External Loan Funding – reasonable assurance.
- GM Waste Estates Asset Compliance Premises Safety Inspections – limited assurance.
- Use of Consultants and Contractors – limited assurance.
- CCTV Compliance – limited assurance.
- Safeguarding and DBS Checks – limited assurance.
- Safer Roads Greater Manchester Partnership Effectiveness – limited assurance.

A Member highlighted concerns on the limited assurance opinion for safeguarding and DBS checks. In response, officers explained that although there was a limited assurance opinion overall, safeguarding was a reasonable opinion. Work will continue to monitor the implementation of the recommendations from this audit and will also be reported on the audit tracker.

A Member commented that some organisations have a process of self-assessment assurance of controls in place. In response, officers noted that they would explore a similar mechanism for GMCA. In addition, Members noted that periodic core financial control audits were to take place.

In respect of the Safer Roads Greater Manchester Partnership Effectiveness report, officers highlighted how this partnership demonstrated how multi-agencies were working together.

Following a comment from a Member regarding the management of asset risks, officers will explore how this matter further.

RESOLVED/-

1. That the Internal Audit progress, as set out in the report, be noted.
2. That there were no changes to the Audit Plan, as set out in Appendix C, be noted.

AC 17/24 Audit Action Tracking Follow Up

The Deputy Director of Audit and Assurance, GMCA provided a report which advised Members of the progress made in implementing the agreed actions from internal audit assignments.

Following a comment from a Member in respect of asset compliance, officers noted that this work will be undertaken as part of the review of the GMCA estates service.

In respect of Cyber actions, a Member highlighted concerns on the lack of implementation on the actions reported. Actions around AI matters was also highlighted. In response, officers undertook to provide an update on Cyber and AI to the next meeting of the Committee.

Following an enquiry from a Member regarding high level outstanding actions, officers noted that such matters are reported to and monitored by the GMCA's senior management team on a regular basis.

In response to an enquiry from a Member in relation to the oversight of outstanding actions, it was noted that where there is concern, senior officers are invited to respond to these concerns directly to Members at Audit Committee meetings.

RESOLVED/-

1. That the progress of the implementation of Internal Audit actions, as set out in the report, be noted.
2. That an update on Cyber and AI to the next meeting of the Committee.

AC 18/24 Annual Report: GMCA Whistleblowing Outcomes

The Deputy Director of Audit and Assurance introduced a report which provided the outcome of Whistleblowing Referrals received during the financial year 2022/23 and on the effectiveness of whistleblowing procedures.

Following an enquiry from a Member, officers undertook to check if referrals to other bodies is explicitly referenced within the GMCA Whistleblowing Policy.

Members welcomed that there had been an increase in the number of whistleblowing cases received, even though a number were not relevant to the GMCA.

A Member enquired if staff surveys include questions on whether staff are aware of the Whistleblowing Policy and if they would be confident that any issue raised as part of the whistleblowing procedure would be investigated. In response, officers noted that there isn't a section on whistleblowing in the staff survey but this could be revisited. It was also noted that GMF&RS has a separate "Speak Up" initiative.

RESOLVED/-

1. That the Annual Report on GMCA Whistleblowing Outcomes, be noted.
2. That officers undertook to check if referrals to other bodies is explicitly referenced within the Policy.

AC 19/24 Quarterly Treasury Management Update - 30 June 2023

The GMCA Treasurer introduced a report which provided an update to Members on treasury management activities during the first quarter of 2023/24.

A Member enquired what impact the issuing of a Section 114 notice in Birmingham City Council has with the West Midlands Combined Authority. In response, it was noted that CIPFA has been contacted to explore the technical implications of a constituent member of a Combined Authority entering into a Section 114 notice. In addition, a watch list of those authorities at risk is maintained. Officers clarified that currently, there is no risk to GMCA.

Members noted that Birmingham was affected by a significant pay settlement and the implementation of an ICT system. Other Section 114 notices were related to poor investments by the respective local authorities. Many authorities are facing financial challenges, particularly in respect of Children and Adult social care.

Officers clarified that GMCA does not borrow speculatively to invest apart from investing in the Authority's own capital assets.

Members noted that the 2024/2025 budget setting process has commenced in consultation with the 10 GM districts.

A Member highlighted that the Public Works Loans Board has some restrictions on the level of borrowing by authorities.

RESOLVED/-

That the update on treasury management activities during the first quarter of 2023/24, as set out in the report, be noted.

AC 20/24 Unaudited GMCA Annual Statement of Accounts 2022/23

The GMCA Treasurer introduced a report which presented a copy of the Greater Manchester Combined Authority (GMCA) unaudited single entity statement of accounts for 2022/23 and set out the process for approval of the audited group statement of accounts.

The update explained that the audit of the accounts would unlikely commence before the submission deadline of 30th November 2023.

In respect of the GM Housing Investment fund and in response to an enquiry from a Member, officers confirmed that there had not been any defaults on this fund.

Members noted the Audit recommendations in the 2021/22 accounts have been addressed within the 2022/2023 unaudited draft accounts.

Following a comment from a member, officers confirmed that there was nothing contentious reported in the accounts.

RESOLVED/-

1. That the unaudited GMCA 2022/23 Annual Statement of Accounts, as set out in the report be noted.
2. That the timescales for publication of the unaudited Statement of Accounts and audited Statement of Accounts, which has a statutory deadline of the 30th November 2023, be noted.
3. That the GMCA Treasurer and his team be thanked for their continued hard work in the production of the 2022/2023 statement of the accounts.

AC 21/24 Assessment of Going Concern

The GMCA Treasurer introduced a report which informed Members of an assessment of the Greater Manchester Combined Authority (GMCA) as a going concern with a forward look at the position for the next 12-18 months.

In respect of transport matters, Members noted that a final settlement had been received from Government for bus support for 2023/24 and 2024/25. A break-even position on transport is forecasted.

In terms of the single settlement arrangements, although it was unlikely that this would provide an increase in funding to the GMCA, a no detriment provision in introducing the single settlement arrangements, was noted.

Following a question from a Member regarding the impact of pay awards, it was noted that both Fire and Police awards were settled and have been included in the budget. The council staff award remained outstanding and discussions were continuing.

A Member enquired if there were any potential emerging issues that may delay audits in future years. In response, officers noted that IFRS16 possibly would be an issue that may cause deferment. In addition, the External Auditor also identified

DLUC consultation in respect of PPE valuations and pensions, as possible challenges.

RESOLVED/-

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.

AC 22/24 External Audit Progress

Members considered a report from Mazars, LLP External Auditor which provided an update on progress in delivering our responsibilities as your external auditors.

The progress report highlighted that for 2020/21 audit, confirmation from the National Audit Office had been received and that no further work is required in respect of the 2020-21 WGA return. The audit certificate had now been issued which formally marks the completion of the 2020-21 audit.

Members noted that for the 2021/22 financial statements audit, an Audit Completion Report was presented in March 2023, with a number of items shown as outstanding. Members noted that the External Auditor was continuing working with the Authority's finance team to complete this work as soon as possible.

The national issue regarding the use of reinforced autoclaved aerated concrete (RAAC) within public sector buildings was noted and the report explained that the Auditor continued to work with management regarding any implications to GMCA.

Members noted that the audit opinion in was anticipated for October 2023 along with our follow up letter to this Committee subject to the satisfactory completion of the above areas of work.

The 2021/22 Value for Money arrangements work and report will be presented to the November 2023 Audit Committee.

A Member highlighted reference to Croydon local authority where increased project costs resulted in the serving of a Section 114 notice. The Member referenced the increased costs of the Manchester City Council Town Hall refurbishment project. In response, officers noted that this project cost had no impact on GMCA. Members

also noted that Manchester City Council's Audit Committee continued to monitor and have assurance on the Town Hall project.

Following an enquiry from a Member regarding the delays to the starting of audits, national issues had impacted on the resourcing of Audits. In addition, thought was needed to review the way accounts are prepared. Officers also explained that TfGM audit is underway, and it was noted that the Audit of GMCA cannot take place until the TfGM audit had been completed.

A Member commented that reasonable adjustments may be introduced to allow audits to be completed within appropriate timeframes.

RESOLVED/-

That the progress report of Mazars, External Auditor, be received with thanks and noted.

AC 23/24 Audit Committee Work Programme

Members noted the Committee work programme.

In addition, to the work programme it was suggested that CIPFA training was to be provided to Members in respect of the Role of the Audit Committee and Treasury Management matters.

RESOLVED/-

1. That the work programme and potential training opportunities for Members be noted.
2. That officers undertake to explore further training opportunities for Audit Committee members with CIPFA.

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MINUTES FROM THE GREATER MANCHESTER BUSINESS BOARD MEETING HELD AT 16:00 ON TUESDAY 19 SEPTEMBER 2023 IN THE BOARDROOM, GMCA OFFICES, TOOTAL BUILDINGS, 56 OXFORD STREET, MANCHESTER

Board Members:

Lou Cordwell (In the Chair)

Marilyn Comrie, Steve Connor, Cllr Bev Craig, Justin Kelly, Clive Memmott, Miles Rothbury.

Advisors:

John Wrathmell (GMCA), Lee Teasdale (GMCA), Mark Hughes (The Growth Company), Oscar Lynch (GMCA), Louise Latham (Marketing Manchester), Lisa Dale-Clough (GMCA), Mark Thomas (TfGM), Rosalind O'Driscoll (TfGM), Tom Whitney (GMCA), Maria Gonzalez (GMCA), Nicola Strickland (GMCA), Richard Waggott (GMCA).

Attending via Hybrid Link:

Mayor Andy Burnham, Lorna Fitzsimons, Vimla Appadoo, Joe Manning (MIDAS)

GMBB 23/21 WELCOME, APOLOGIES & INTRODUCTIONS

The Chair welcomed all to the meeting.

Apologies were received from Chris Oglesby, Mike Blackburn, Councillor Eamonn O'Brien and Councillor Arooj Shah.

GMBB 23/22 DECLARATIONS OF INTEREST

There were none.

GMBB 23/23 MINUTES OF MEETING OF 19th JULY 2023

RESOLVED/ -

1. That the minutes of the meeting of 19th July 2023 be agreed as a true and correct record.

CURRENT ECONOMIC CHALLENGES

GMBB 23/24 ECONOMIC INTELLIGENCE & BUSINESS ANALYSIS

Government Policy Update

- Discussions remained ongoing with the Treasury and other departments on the single settlement and how it would work in practice. There had been an agreement that there would be a Memorandum of Understanding on how it would work by January 2024, and there is likely to be an update in the Autumn Statement in November.
- An update was provided on the Investment Plan currently being developed. Following the announcements around new mechanisms to deliver growth in the region included in the Trailblazer Devolution Deal, such as growth zones, and the Investment Zone announced alongside. Officers had been tasked by leaders to pull together an Investment Plan that would make clear how these new resources and flexibilities could be best deployed to deliver the priorities within the Greater Manchester Strategy.

Cost of Living & Economic Resilience

- The dashboard had been further updated based on feedback from the Board, there was now further detail included on resilience in terms of elements such as insolvencies & cash flow.
- The general picture was one of volatility in all the different measures, it was currently difficult to pull together a consistent picture across GM as many factors were pulling in different directions. For example, at present businesses were found to be dealing with increased costs and cash flow

issues, yet at the same time, were found to be less likely to be withdrawing from investment decisions.

- Similar patterns could be seen at the national level. Different sections of the economy were growing and shrinking at rapid rates and even consumer confidence, which usually changed only incrementally, was rising and falling at rates previously unseen.
- It was suggested that inflation was not under control yet, and rising fuel prices were another example of the continuation of volatility in the market.

GC Business Support, International and Marketing

- Interest rates increases were now clearly beginning to 'hit home' as angel investors for example could now get better returns by having money in high interest rate bank accounts rather than investing in potentially high-risk high-return businesses. Hesitation was also being seen in global manufacturing investors.
- There had been a lot of traction and interest from businesses around further developing digital transformation in terms of automation and AI.
- More businesses were clearly trying to encourage people back into offices with less working from home and being more affirmative about it now.
- Seasonal vacancies were now clearly picking up for retail, distribution, and hospitality.
- Queries about solar panel installation following the Bee Net Zero campaign were rising which made for a good news story – as businesses began to understand the long-term return on investment from doing so.

RESOLVED / -

1. That the above updates by noted by the Board.

DEEP DIVE

GMBB23/25 GM INTERNATIONAL STRATEGY IMPLEMENTATION PLAN

- The Implementation Plan was being overseen through the International Marketing Advisory Board. The second year of the Implementation Plan had now commenced following the refresh of the International Strategy.
- One of the key activities for the current year was the implementation of the commitments around trade and investment in the Trailblazer Devolution Deal. This would help in establishing the ambitions and strategic priorities for the future. A GM workshop was to take place on 20th October to explore these future ambitions, and Business Board members were welcome to get involved.
- A review of Market Vehicles, for which GM had received national acclaim, was taking place. Recent geopolitical changes meant that to stay competitive there was a need to continue to engage with other international markets. There was a need for evidenced bases approach to the where and why, and engagement with the regions that were most in line with GM's own strengths.
- A GM Mission to Japan would be taking place between 4-8th December 2023. GM had worked hard at developing a solid relationship with the city of Osaka over the past three years and the mission would focus upon six key pillars: diplomacy; net zero and innovation; trade & investment; culture & sport; visitor economy; and Expo 2025.

RESOLVED / -

1. That the update on GM's International Strategy Implementation Plan be received.

MEDIUM TERM PRIORITIES AND DELIVERABLES

GMBB 23/26 BOARD MEMBER FEEDBACK ON DELIVERY/AFFILIATED GROUPS

- Green City Region – The 2023 edition of the Green Summit was approaching; invites had been sent to Board Members. The Business Board would be holding a few sessions focussing upon Bee Net Zero and how best to accelerate its progress. The Summit would also see the launch of the Bee Net Zero for Business commitment. The next campaign associated with Bee Net Zero would be focussed upon electric vehicles, including fleet transitions and business usage.
- Skills – Reference was made to the Gateway Leadership Board which would be seeking input from Business Board Members. Seven sector gateways had been proposed that had already received strong support from across a wide range of partners, these were:
 - Manufacturing and Engineering
 - Financial and Professional
 - Digital and Technology
 - Health and Social Care
 - Creative, Culture and Sport
 - Education and Early Years
 - Construction and Green Economy

Employer engagement would be key to making this a success, and how best to bring together employers in each of these sectors to make the most tangible difference would be the Board's most vital task. The Board would be jointly chaired by Clive Memmott and Lou Cordwell.

The GM Business Breakfast to be hosted by the Mayor on 26th September was highlighted. This would provide a great opportunity to sell the many merits of the MBacc in advance of the party conference season.

- Addressing Inequalities – The Race Equalities Strategy was now in progress and going through the scrutiny boards. One of the key ambitions of the Strategy was to get representatives from each of the 10 GM Councils to hold their workforce to account on the tenets of the Strategy. Data collection would be vital to making this work, and with that in mind it would be helpful for the Board to have a stance on what good data collection would look like in this arena. A workshop was scheduled for late November and all on the Board were encouraged to attend.

RESOLVED /-

1. That the Board Member feedback be received.

GMBB 23/27 GM BUSINESS BOARD MEMBERSHIP REFRESH

- Shortlisting had now taken place, several weeks of initial interviews would be taking place ahead of the final shortlist. It is hoped that the new members would be on board by the end of the year. It was suggested that an awayday event for the Board could be timed to coincide with their introduction to the Board.

RESOLVED /-

1. That the update on the GM Business Board Membership Refresh be received.

LONG TERM ECONOMIC CHALLENGES

GMBB 23/28 FORESIGHT TOPIC – ARTIFICIAL INTELLIGENCE

- The national AI summit would be coming up in early November and information would be made available, this would provide a further platform for what this could look like for the region as well as nationally.

RESOLVED /-

1. That the update be noted.

FOR INFORMATION AND VIEWS

GMBB 23/29 MARKETING AND COMMUNICATIONS

- Comms works continued around preparation for party conference season.

RESOLVED /-

1. That the marketing and communications update be noted.

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