

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

1. Chair's Introduction

- 1.1 The Joint Audit Panel (Police and Crime) comprises 5 independent members. This report covers our work during the period 1st April 2022 to 31st March 2023.
- 1.2 GMP is focusing on improving the quality of service it provides and in particular improving effectiveness, efficiency and value for money. This is resulting in significant changes being made throughout GMP. The Audit Panel recognises that change and material change creates risks that need to be managed. These risks can be unintended consequences or creating block-ages in earlier or later stages of processes. The use of Internal Audit provides assurance and helps identify knock on consequences.
- 1.3 There have been a number of high profile, major incidents and Inquiries over the last 12 months which have identified problems that need to be addressed within the Police Force nationally. Baroness Casey's report on the Metropolitan Police Service reviewed the Met's leadership, recruitment, vetting, training, culture and communications. It recommended how high standards can be routinely met and how high levels of public trust can be restored and maintained. The Panel met with the Chief Constable who explained the arrangements and processes within GMP and the importance of standards. It also looked in more detail at vetting processes. This will be an on-going matter for the Panel to seek assurance.
- 1.4 It was a very active year for the Panel reflecting the significant and broad ranging issues faced by GMP and recognising the improvements being made.
- 1.5 GMP summarise its Improvement Plan in the Plan on a Page. This sets out the areas for improvement with good improvements made in many areas but with more required. The financial environment is challenging both for the Force and the people of Greater Manchester.

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

- 1.6 The Audit Panel has been focusing on financial risk during the year by seeking assurance that appropriate processes of financial control are in place to ensure the delivery of planned changes can be managed and unplanned, unexpected changes in cost and demand can be delivered within the resources available. We will continue to seek assurance on the processes in place next year too from GMP and GMCA.
- 1.7 It is also important that the Governance arrangements are comprehensive, effective and efficient and again the Panel has sought assurance on the arrangements in place.
- 1.8 The breadth and depth of our agendas has helped our development during this challenging period for GMP and it has been good that we have been able to put in place a training programme for members of the Panel during the year.
- 1.9 An important task for the Audit Panel is Greater Manchester Police activities and their accounts. The Audit Panel :-
- Aims to provide independent assurance and advice on its governance processes.
 - oversees the preparation of the Annual Report and Accounts, regular reports are received from the external auditors, Mazars during the year.
- 1.10 The Panel also provides a forum to receive the reports of both the Internal and External Auditors and GMP officers on risk management, internal control, value for money and governance issues. It is also keen to see that senior management take appropriate action to implement the agreed actions contained in these reports.

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

1.11 I thank the Panel members for their contributions, enthusiasm, commitment and willingness to learn and the support we have received from GMP and GMCA.

Peter Morris

Chair of the Joint Audit Panel

1st August 2023

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

1. Introduction

- 1.1 The Joint Audit Panel is a key component of the Deputy Mayor for Policing and Crime (the Deputy Mayor) and the Chief Constable's for Greater Manchester corporate governance framework. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- 1.2 The purpose of the Panel is to provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes in operation within the Chief Constable's Corporation Sole and the GM Mayor's PCC functions.

2. Membership

- 2.1 The following individuals were appointed as independent Members of the Panel following an open recruitment exercise and interviews.
- 2.2 The Committee met five times during 2022/23. Attendance at the meetings has been good demonstrating a commitment to the role and the function of independent challenge and assurance.

Member	April 22	July 22	Sept 22	Nov 22	Jan 23	%
Mr Peter Morris (Chair)	✓	✓	✓	✓	✓	100%
Mr Ian Cayton	✓	✓	✓	✓	✓	100%
Mr John Starkey	✓	✓	✓	✓	✓	100%
Ms Foluke Fajumi	✓	✓	x	✓	x	60%
Ms Hilary Pogson	✓	x	x	✓	✓	60%

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

3 Accountability Arrangements

- 3.1 The minutes of the Joint Audit Panel meetings are provided to the Deputy Mayor and the Chief Constable as well as to the GMCA Audit Committee. In addition, in consultation with GMCA Audit Committee, the Chair of the Joint Audit Panel has started to provide a summary of each Audit Panel meeting and will attend GMCA Audit Committee to present the annual report of the Panel.
- 3.2 The Panel reviews its performance against its terms of reference, the result of which are included in this annual report.

4. Effectiveness of the Joint Audit Panel

- 4.1 The Joint Audit Panel undertook a training session during the year to reflect on the Panels' overall effectiveness. It took into consideration the CIPFA Guidance that was issued in the year. The objective of the session was to identify the Panel's Strengths and Weaknesses and agree any actions that are needed to improve the influence and impact of the Panel.
- 4.2 Whilst recognising the Panel's strengths (for example in relation to responsibilities around the Annual Governance Statement and Internal Controls), a number of areas of additional focus were identified. One example of this was around IT. The IT support for Internal Audit is provided by an external provider who was invited to present their findings to the Panel on a number of important audits together with external contractors working for GMP. A new Director of IT has been appointed and he has attended 2 panel meetings and set out his initial thoughts on his priorities for the future. The Panel is also considering other options for strengthening its capability and capacity on IT matters. Other actions are included in the Development Plan (Appendix A).

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

5. Key Areas of Focus for the the Panel in 2022/23

5.1 Governance, Risk and Control

5.1.1 The Panel reviewed the Annual Governance Statement which is contained within the Chief Constable's Statement of Accounts.

5.1.2 The Panel received regular updates from the Chief Constable reporting on current priorities and performance.

5.1.3 The Panel reviewed the effectiveness of the system of internal control, taking account of the findings from internal and external audit reviews. The Panel sought assurance throughout the year from management that control issues identified are being addressed.

5.1.4 The Panel received quarterly updates on the implementation of internal audit actions. The Panel have paid particular attention to outstanding audit actions in order to satisfy themselves appropriate action is being taken to implement agreed actions.

5.1.5 The Panel received a report pertaining to anti-fraud arrangements.

5.1.6 The Panel received an update on risk management arrangements and notes the internal audit work undertaken in respect of risk management.

5.2 Internal Audit

5.2.1 The Panel approved the 2022/23 internal audit plan in April 2022. At each meeting the Panel received progress reports for the delivery of the internal audit plan. These reports have been reviewed and scrutinised by Members.

5.2.2 The Panel reviewed and approved the Internal Audit Charter.

5.2.3 The Panel received the results of the External Quality Assurance review of the Internal Audit Team, undertaken by peers in other Police Forces. This

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

confirmed that the Internal Audit team operate in line with Public Sector Internal Audit Standards (PSIAS).

5.2.4 The Panel received regular reports on the implementation of previous audit actions. Particular attention was paid to “historic” audit actions which have been open for more than 12 months past their target implementation date. The Panel commissioned Internal Audit and GMP to work to reduce the number of historic open actions.

5.3 External Audit

5.3.1 The Panel oversaw the work of external audit including the scope and approach to their work, their fees, and independence.

5.3.2 Throughout the year the external auditors outline the significant risks and key judgement areas identified within the planning process and subsequently in the work they do.

5.3.3 The Panel received the External Audit Annual Report and Value for Money Report for the financial 2020/21. The external auditor issued an unqualified opinion on the Chief Constable's financial statements. There are national delays in finalising audits and Value for Money opinions.

5.4.1 Financial Reporting

5.4.1 The Panel reviewed the Chief Constable's Statement of Accounts for 21/22. To assist this review the Panel considered overviews of the key financial statements from management and reports regarding compliance with accounting standards, key judgements made in the preparation of the financial statements and compliance with legal and regulatory requirements.

6. Conclusion

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

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

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

7. Priorities for 2023/24

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

7.2 Within this context, the priorities for 2023/24 will be:-

- Continued focus on the change programme in place to monitor the progress of programmes, including (but not limited to) the PoliceWorks replacement programme.
- Continued focus on GMPs risk management arrangements, with periodic review of the Corporate Risk Register and associated risk management Policies.
- Participating in Audit Panel training sessions to improve familiarisation of operational activities, the operating environment and strategic risks and to develop where necessary Members' skills.
- To review and scrutinise reports arising from each of the internal Audit reviews undertaken during the year and ensure that appropriate action is taken to address any weaknesses identified.
- Receive updates on counter-fraud activities and outcomes.
- Ensure that the Panel supports the External Audit team in its application of the new Audit Code of Practice.

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

Appendix 1 – Joint Audit Panel Development Plan – Actions

#	Description	Survey	Action	Owner	Status (July 23)
1	Continued training on operational areas of GMP/PCC	2019/20, 2020/21	When it is feasible to accommodate visits from Panel members, these will resume.	GMP to be facilitated by GMP Governance	Ongoing. In-person meetings resumed in 2022/23 and visits to OCB and Vestigo house have taken place plus additional training presentations. Will continue in 23/24
2	Risk deep dives	2020/21, 2021/22	Include risk deep dives 3-4 times per year within training sessions. Panel chooses which risks to focus on at the next training session at/after their previous meeting.	GMP Governance	Outstanding. When the refreshed Corporate Risk Register starts to be presented to the Panel on a regular basis, risk deep dives of the risks on the register will commence. Target end 2023.
3	Stakeholder mapping	2020/21	One of the Panel training sessions to include a session on stakeholder mapping	Facilitated by Internal Audit	Outstanding. To be included in 23/24 training plan
4	Member induction	2020/21	Review and gather feedback on current induction processes. Update as needed	GMP Governance	No new members of the Panel therefore induction training not been refreshed. Will be prepared for any new members.

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

#	Description	Survey	Action	Owner	Status (July 23)
5	Document library for Panel Members	2021/22	Investigate the possibility of setting up a shared repository for documents that can be shared with members. Possibly through MS Teams?	GMP Governance	Outstanding
6	Partnerships and Collaborations register	2022/23	If a register exists, share it with the Panel. If not, provide information on significant partnerships and collaborations to the Panel.	GMP Governance	Target 2023/24
7	Emerging Risks	2022/23	Training session on the risk management process to also incorporate how emerging risks are considered.	Corporate Development Branch	Training 2023/24 - September
8	Financial risks/performance	2022/23	Current issues as a standing agenda item on each Panel Meeting to be presented by CFO/Treasurer	GMP/GMCA	Complete
9	Capital Programmes	2022/23	Panel to be sighted on the capital programme to understand the	GMP	Include in training schedule

ANNUAL REPORT OF THE JOINT AUDIT PANEL 2022/23

#	Description	Survey	Action	Owner	Status (July 23)
			breadth and extent of major programmes of work		