

GMCA Audit Committee

Date: 22 January 2025

Subject: GMCA Single Assurance Framework

Report of: Sarah Horseman, Deputy Director - Audit and Assurance

PURPOSE OF REPORT:

The purpose of this report is to present the draft GMCA Group Assurance Framework to Members for their review and comment. It also explains why the Assurance Framework is needed and what Audit Committee's role in relation to the Assurance Framework will be once GMCA is in receipt of the Integrated Settlement from 2025/26 onwards.

RECOMMENDATIONS:

Audit Committee is requested to review the draft Assurance framework and note the Committee's role from 2025/26 onwards in relation to the Framework.

CONTACT OFFICERS:

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Equalities Impact, Carbon and Sustainability Assessment:

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences - Capital

N/A

Financial Consequences - Revenue

N/A

Number of attachments included in the report: 1 - GMCA Group Assurance Framework - Draft

BACKGROUND PAPERS:

English Devolution Accountability Framework

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

1 BACKGROUND

- 1.1 A requirement of the Integrated Settlement is that GMCA must have in place a Local Assurance Framework that will be approved by MHCLG in advance of receipt of the Integrated Settlement, and that this assurance framework is maintained and updated by GMCA.
- 1.2 The English Devolution Accountability Framework (EDAF), March 2023, further describes Local Assurance Frameworks and states that the local assurance framework must demonstrate robust assurance, project appraisal and value for money processes are in place. Only once this is approved will the monies be paid via a Section 31 Grant Determination. It also sets the expectation that Local Assurance Frameworks are “live documents”, reviewed and refreshed at least annually (more frequently if required).
- 1.3 The more recently published English Devolution White Paper (December 2024) further reiterates the requirement for a Local Assurance Framework.

2 DEVELOPMENT

- 2.1 GMCA has previously had in place an assurance framework, which was a previous requirement of the “single pot” approach to funding, so the concept is not new to us.
- 2.2 This original assurance framework has been refreshed and updated in the context of the Integrated Settlement and will be effective from 1 April 2025/26.
- 2.3 An Integrated Settlement Readiness Check has been commissioned by MHCLG and is currently in progress. Any recommendations from that readiness check will be reflected in the Assurance Framework as required. For that reason, the framework is still currently in draft form. A further, finalised version will be brought to the Audit Committee in March 2025.

3 STRUCTURE

3.1 The assurance framework is structured to describe the layers of assurance for different stakeholders. The core of the document describes how oversight, scrutiny and assurance will operate locally and within the GMCA group organisations. Additional sections then describe how further assurance and accountability will be provided to the public, and to central government, including Parliament.

4 ROLES AND RESPONSIBILITIES

4.1 In relation to the Assurance Framework, the key roles and responsibilities are:

- MHCLG – MHCLG are responsible for signing off GMCA’s Local Assurance Framework before the allocation of the Integrated Settlement. The Memorandum of Understanding for the Integrated Settlement also stated that DLUHC (now MHCLG) will establish a streamlined, overarching, single assurance framework, coordinated by MHCLG rather than multiple frameworks administered by different government departments. This will be incorporated into future editions of the EDAF.
- GMCA Group Chief Executive (Group CEO) – Overall responsibility for the Assurance Framework lies with the Group CEO as Accountable Officer for GMCA.
- Audit Committee – Review and approve the Assurance Framework annually and seek assurance that the framework is operating as designed. This is confirmed annually as part of the year-end process which informs the Annual Governance Statement, which is signed off by the Mayor and the Group CEO
- Senior Management – “First and second line” assurance - ensuring appropriate, proportionate assurance is obtained over key activities and programmes in line with the assurance framework
- Internal Audit – “Third line” assurance through the delivery of risk-based internal audit plan in line with Global Internal Audit Standards (GIAS) culminating in an

annual conclusion on the effectiveness of arrangements for governance, risk management and internal control.

- External Audit – “Third line” assurance over the Group’s financial statements and an assessment of value for money

5 RECOMMENDATIONS

5.1 Members are requested to

- Review the draft GMCA Group Assurance Framework and provide feedback for inclusion or consideration in the final version
- Note the Audit Committee’s role in the ongoing approval and maintenance of the GMCA Group Assurance Framework, in advance of the next financial year when the Integrated Settlement will be in place.