PURPOSE OF REPORT

The Local Audit and Accountability Act 2014 (the Act) at Section 7 states that a “relevant authority must appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding financial year.” Current auditor contracts have been extended for 12 months, therefore for the Combined Authority the appointment of an auditor must be completed by 31 December 2017 for the audit year 2018/19.

RECOMMENDATIONS:

To endorse the recommendation of the GMCA/AGMA Audit Committee that the Combined Authority opt in to the sector-led PSAAL national procurement process.

CONTACT OFFICERS:

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BACKGROUND PAPERS:
Documents used in the development of the assurance report include:
- DCLG: Government response to the Future of Local Audit
- DCLG: Future of Local Public Audit – consultation: summary of responses
- Local Audit and Accountability Act 2014 (the Act)
- CIPFA Guide to Auditor Panels
- Report to Joint GMCA/AGMA Audit Committee 20 January 2017
<table>
<thead>
<tr>
<th>TRACKING/PROCESS</th>
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<tr>
<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution (paragraph 14.2) or in the process (paragraph 13.1 AGMA Constitution) agreed by the AGMA Executive Board?</td>
<td>No</td>
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<th>EXEMPTION FROM CALL IN</th>
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<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
<td>Deadline for notifying PSAAL is 9th March 2017</td>
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1. BACKGROUND

1.1 At its meeting on 20\textsuperscript{th} January, the Audit Committee considered the attached report and received feedback from the GMCA Treasurer regarding the decision by the PSAAL (Public Sector Audit Appointments Ltd) Board earlier in the week on the weighting to be attributed to Social Value in the contract award process and on the subsequent discussion by Greater Manchester Treasurers.

1.2 Following extensive discussion with PSAAL over recent months, Treasurers had been advised that a weighting in the tender evaluation of 5\% would be attributed to Social Value and that it would be a discrete category rather than a smaller proportion within the Quality assessment.

1.3 Whilst this weighting is disappointing, it was felt that GM lobbying had been successful in getting it recognised as a relevant criteria and that the benefits of joining a collective procurement approach were apparent, both in terms of greater ‘buying power’ and in minimizing the ongoing overhead of running a GM specific procurement process and contract monitoring through a GM Independent Audit Panel.

1.4 Consequently, GM Treasurers have recommended to their respective Councils that they should each join the PSAAL collective procurement.

1.5 The GMCA Audit Committee, having considered the discussion with PSAAL and the recommendation from Treasurers, agreed to recommend that the GMCA should also join the PSAAL sector-led procurement.