GREATER MANCHESTER COMBINED AUTHORITY

JOINT AUDIT PANEL – GMP, HEADQUARTERS – FRIDAY 1 JUNE, 2018

Meeting commenced: 9:30 a.m.
Meeting ended: 10.45 a.m.

PRESENT: Paul Murphy – In the Chair
Ian Cayton, George Bisarce, Suresh Mehta and Karol Sanderson.

OFFICERS IN ATTENDANCE:

  Jayne Owen, Director of Finance (Police and Crime), GMCA
  Steve Annette, Governance & Scrutiny, GMCA
  Lynne Potts, Assistant Chief Officer, GMP
  Janet Moores, Deputy Head of Finance, GMP

1. APOLOGIES FOR ABSENCE

  Pastor Olatunde Olagunji, Richard Paver, GMCA Treasurer, Paul Grady and
  Ellen Millington, Grant Thronton.

2. MINUTES OF THE MEETINGS HELD ON 26th March 2018

RESOLVED: That the minutes of meeting held on 26th March 2018 be
approved as a correct record.

3. DECLARATIONS OF INTEREST (IF ANY)

There were no Declarations of Interest received.

4. AUDIT PLAN 2017/18 – PROGRESS REPORT

Consideration was given to a report of the Chief Constable of Greater
Manchester Police which presented and sought comments on the Statement
of Accounts for 2017/2018. An updated version of the report was circulated
at the meeting which included the Annual Governance Statement.

It was reported that the Statement of Accounts sets out the overall financial
position of the Chief Constable for Greater Manchester Police, for the
adjusted year 8th May 2017 to 31st March 2018. The accounts were
published in accordance with the Accounts and Audit Regulations 2011, the
Code of Practice on Local Authority Accounting 2017/18 and the Service
Reporting Code of Practice (SeRCOP) 2017/18 and have been prepared on
a going concern basis.

The Financial Statements comprise the following:-
- Comprehensive Income and Expenditure Statement - This statement showed the accounting cost in the year of providing services under IFRS. The deficit/surplus on the provision of services was £151.783m;
- Movement in Reserves Statement (MiRS) - This statement showed the movement in the year on the different reserves held by the Chief Constable;
- Balance Sheet - The balance sheet shows that the Chief Constable has recognised net liabilities of £7,717.613m at the end of the year, including a pension's liability of £7,712.875m;
- Cash Flow Statement - This Statement balances to zero as all cash transactions are held and managed by the Greater Manchester Combined Authority (GMCA) on behalf of the Elected Mayor.

It was reported that a separate set of statutory accounts had been published for the Chief Constable to recognise all the financial transactions incurred during 2017/18 for policing Greater Manchester and Accounting Statements for the financial activities of the Chief Constable and Greater Manchester Combined Authority are consolidated. It was appropriate that a distinction was made between the financial impact of the day to day direction and control of the Force and the overall strategic control of the Mayor for Greater Manchester. Expenditure in respect of operational policing, police officer and staff costs was shown in the Chief Constables Accounts, whilst the funding sources, such as the Central Government Police Grant were shown in the Consolidated Accounts.

Reference was made to the Performance against Revenue Budget. In response Members were advised that the Force sought to demonstrate good financial management at a time of significant organisational transformation in response to both changing and exceptional operational demands. Through the financial forecasting process the Force had been able to make informed and timely decisions to ensure that value for money is achieved and operational risk is mitigated. The 2017/18 revenue outturn showed the financial impact of savings and growth which were planned for and agreed by the Chief Constable and Deputy Mayors Office in the 2017/18 budget. It was noted that the table within the report reflected how budgets were managed within the Chief Constable single entity accounts. Some income and specific grants were managed by the Chief Constable on behalf of the elected Mayor and so were included in the table, however were not included in the Chief Constables Comprehensive Income and Expenditure Statement or Expenditure and Funding Analysis.

Reference was made to the Senior Officers’ Remuneration which disclosed the remuneration of defined Senior and Statutory Officers whose annualised salary was equal to more than £50,000. It was reported that this had increased in 2017/18 due to an increase in overtime due to the Manchester Attack in May 2017.

A discussion was had on Ethnicity it was reported that as at 31st March 2018 there were 6,206 police officers in post and an active recruitment campaign
to recruit across the wider cross sections of the community had resulted in 507 student officers joining GMP in 2017/18.

Members requested that on The Single Entity Financial Statements – Movement in Reserves Statements a footnote was included which detailed which reserves were held by the Chief Constable and Greater Manchester Combined Authority. Also, that a basic narrative was included on the 'Defined Benefit Pension Schemes'. That the next meeting take place on Tuesday 24th July 2018 at 9.30am at GMP Headquarters.

The Char requested that the Panel read the Annual Governance Statement outside the meeting and submit any comments or observations directly to Donna Parker, Governance and Scrutiny Officer via email.

Janet Moores, GMP advised that she would make the suggested amendments to the report and advised Grant Thornton accordingly. The updated Statement of Accounts would be available to view on the GMP and GMCA website.

RESOLVED: That the Chief Constable of Greater Manchester Statement of Accounts and comments raised, be noted.

5. ANY OTHER BUSINESS

None received.

6. DATE OF NEXT MEETING

RESOLVED: That the next meeting take place on Tuesday 24th July 2018 at 10.00am at GMP Headquarters.