

**MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY AUDIT COMMITTEE  
HELD ON THURSDAY 21 MARCH 2019 AT THE GMCA, CHURCHGATE HOUSE, OXFORD  
STREET, MANCHESTER M1 6EU**

**PRESENT:**

Gwyn Griffiths (Chair)	Independent Member
Catherine Scivier (Dialled in)	Independent Member
Councillor Mary Whitby	Bury Council (Substitute member)
Councillor Sarah Russell	Manchester Council
Councillor Chris Boyes	Trafford Council

**ALSO PRESENT:**

Councillor Sharon Briggs	GMCA Deputy Portfolio Holder/Bury Council
Jess Hambley	Mazars External Auditor (2018/19)
Daniel Watson	Mazars External Auditor (2018/19)
John Farrar	Grant Thornton External Auditor (2017/18 GMWDA)
Helen Stevenson	Grant Thornton External Auditor (2017/18 GMWDA)

**OFFICERS:**

Lindsay Dunn	GMCA Governance & Scrutiny
Lindsey Keech	GMCA Finance
Richard Paver	GMCA Treasurer

**AC 19/16 APOLOGIES**

Apologies for absence were received from Councillor Colin McLaren (Oldham Council) and Councillor Joanne Marshall (Wigan Council).

**AC 19/17 URGENT BUSINESS**

There were no items of urgent business reported.

**AC 19/18      DECLARATIONS OF INTEREST**

There were no declarations of interest made at the meeting.

**AC 19/19      MINUTES OF THE GMCA AUDIT COMMITTEE MEETING HELD ON WEDNESDAY  
16 JANUARY 2019**

The minutes of the meeting of the GMCA Audit Committee held on Wednesday 16 January 2019 were submitted for approval. It was suggested and agreed that these should be considered at the forthcoming GMCA Audit Committee meeting on 16 April 2019.

**RESOLVED/-**

That the minutes of the meeting of the GMCA Audit Committee held on 16 January 2019 be submitted for approval to the GMCA Audit Committee on 16 April 2019.

**AC 19/20      GREATER MANCHESTER WASTE DISPOSAL AUTHORITY (GMWDA) 2017/18  
ACCOUNTS**

Members considered the report of the GMCA Treasurer that set out the latest position regarding the finalisation of the GMWDA's 2017/18 accounts and the external audit by Grant Thornton. It was explained that the audit of the accounts was not concluded in the required timescales and work had been progressing to clarify the remaining and new queries raised by Grant Thornton. Despite the challenges and queries raised, the main changes (details in paragraph 2.1 of the report) had not affected any usable reserves.

John Farrar, Associate Director at Grant Thornton Auditors presented a schedule of changes proposed to the Statement of Accounts following completion of the external audit. The main audit findings for the period ending 31 March 2018 were summarised for members. The Committee were advised that due to additional work to audit the Authority's revised financial statements, an anticipated additional fee of approximately £34.5k will be incurred.

On behalf of the Committee, the Chair thanked Grant Thornton for the thorough and comprehensive report. It was highlighted that the Authority experienced difficulties in producing accurate and complete statements in a timely manner. However, it was confirmed that the Waste Disposal Authority had had proper arrangements to deliver value for money in its use of resources except for matters in relation to timely and accurate statutory year-end financial reporting.

It was advised that additional disclosures has been requested by the external audit team throughout the Statement of Accounts to allow them to complete their audit.

**RESOLVED/-**

1. That the Committee noted the report.

2. That the Audit Findings Report presented by Grant Thornton be received and noted including the schedule of changes circulated at the meeting.
3. That the financial statements for 2017/18 be approved subject to any further minor amendments.
4. To note the Annual Governance Statement (AGS) previously agreed by the GMWDA to be signed by the GMCA Chief Executive and the Mayor of Greater Manchester.
5. To confirm that the Letter of Representation could be signed, on behalf of the GMCA, in order that Grant Thornton could issue their opinion on the Statement of Accounts 2017/18 and to finalise the audit on completion of the audit of the Authority's Whole of Government Accounts (WGA) work.
6. To delegate to the GMCA Treasurer and Chair of the GMCA Audit Committee to agree further minor amendments to the proposed Statement of Accounts prior to them formally signing.

### **AC 19/21      GMCA TREASURY MANAGEMENT STRATEGY 2019/20**

The GMCA Treasurer presented a report that set out the proposed GMCA Treasury Management Strategy Statement (TMSS), borrowing limits and prudential indicators for 2019/20.

The TMSS reflected the planned 2019/20 capital programmes for GMCA transport, economic development, fire, police and waste.

The TMSS also contained amendments from the draft approved by the GMCA Audit Committee on Wednesday 16 January 2019, in particular:

1. A revised Minimum Revenue Provision (MRP) Strategy.
2. Updated borrowing requirements.
3. An update on how the Housing Investment Loan Fund might operate after 1 April 2019.

The Treasurer provided further clarification with regard to the proposed loan to Protos Finance Limited and on the Evergreen Fund. It was advised that the GMCA does not make commercial investments solely to make a financial return. Capital investments however are for strategic or regeneration purposes.

A member requested further information with regards to any projected increase in investment as a result of the Programme for Change. It was confirmed that the outline business case has been developed which included further capital investment and this would be reflected in any revised strategy once approved. It was advised that formal consultation commenced on 12 March 2019 and public consultation will be launched shortly.

### **RESOLVED/-**

That the Audit Committee recommend that the GMCA approve the proposed TMSS and Annual Investment Strategy (AIS) to apply from 1 April 2019, in particular:

- The treasury indicators listed (Appendix A of the report)
- The revised MRP Strategy outlined (Appendix B of the report)
- The Treasury Management Policy Statement (Appendix C of the report)
- The Treasury Management Scheme of Delegation (Appendix D of the report)
- The Borrowing Requirements (Section 5 of the report)
- The Borrowing Strategy (Section 8 of the report)
- The AIS (Sections 9 and 11 of the report)

#### **AC 19/22      DATES OF FUTURE MEETINGS**

Members noted the dates and times of future meetings:

- Tuesday 16 April 2019 at 2.00 pm
- Tuesday 18 June 2019 at 2.00 pm
- Tuesday 30 July 2019 at 2.00 pm