Auditor’s Annual Report

Chief Constable of Greater Manchester Police – year ended 31 March 2023

November 2024

Contents

01

Introduction

Introduction

Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for the Chief Constable of Greater Manchester Police ('the Authority') for the year ended 31 March 2023. Although this report is addressed to the Authority, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.

Opinion on the financial statements
We issued our audit report on 29 November 2024. Our opinion on the financial statements was unqualified.

Wider reporting responsibilities
The Comptroller and Auditor General ('C&AG') has signed their opinion on the 2022-23 Whole of Government Accounts. Our audit report on the Authority's financial statements was issued after the C&AG had issued their opinion and as such we were not required to provide information to the NAO in respect of their group audit.

Value for Money arrangements
In our audit report issued we reported that we had completed our work on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources and had not issued recommendations in relation to identified significant weaknesses in those arrangements. Section 3 provides our commentary on the Authority's arrangements.

02

Audit of the financial statements

Audit of the financial statements

The scope of our audit and the results of our opinion

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Authority and whether they give a true and fair view of the Authority's financial position as at 31 March 2023 and of its financial performance for the year then ended. Our audit report, issued on 29 September 2024 gave an unqualified opinion on the financial statements for the year ended 31 March 2023.

A summary of the significant risks we identified when undertaking our audit of the financial statements and the conclusions we reached on each of these is outlined in Appendix A. In this appendix we also outline the uncorrected misstatements we identified and any internal control recommendations we made.

Qualitative aspects of the Authority's accounting practices

We have reviewed the Chief Constable of Greater Manchester Police's accounting policies and disclosures and concluded they comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets, published in November 2022, appropriately tailored to the Chief Constable of Greater Manchester Police's circumstances.

Draft accounts were received from the Chief Constable of Greater Manchester Police on 5th July 2023 and were of a good quality.

Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management.

Reporting responsibility	Outcome
Annual Report	We did not identify any significant inconsistencies between the content of the annual report and our knowledge of the Authority.
Annual Governance Statement	We did not identify any matters where, in our opinion, the governance statement did not comply with the guidance issued by CIPFA/LASAAC Code of Practice on Local Authority Accounting.

03

Our work on Value for Money arrangements

VFM arrangements

Overall Summary

VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

Financial sustainability - How the Authority plans and manages its resources to ensure it can continue to deliver its services.

Governance - How the Authority ensures that it makes informed decisions and properly manages its risks.

Improving economy, efficiency and effectiveness - How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

Our work is carried out in three main phases.

Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Authority has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding or arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with staff and directors

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

We outline the risks that we have identified and the work we have done to address those risks on page 13.

Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Authority. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements -** We make these recommendations for improvement where we have identified a significant weakness in the Authority arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations -** We make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant but which still require action to be taken.

The table on the following page summarises the outcomes of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements or made other recommendations.

VFM arrangements – Overall summary

Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
Financial sustainability	11	No	No	No
Governance	14	No	No	No
Improving economy, efficiency and effectiveness	19	No	No	No

VFM arrangements

Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services

VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria

Greater Manchester Police's operating environment in 2022/23

In 2022/23 Greater Manchester Police (GMP) continued to deal with the significant operational challenges stemming from the findings of various inspection reports. The Chief Constable, along with the Deputy Mayor launched the Plan on a Page (POAP) in September 2021 in order to establish the basics required to prevent and reduce crime, to keep people safe and to care for victims. The POAP, along with GMP's Performance Management Framework (PMF) aimed to deliver positive improvements and increased standards for the residents of Greater Manchester.

Like other public sector organisations, GMP also needed to respond to the long-term impact of the Covid 19 pandemic on its operations as well as on its financial position.

2022/23 Financial Performance

We have undertaken a high-level analysis of the audited financial statements, including the Comprehensive Income and Expenditure Statement and the Balance Sheet.

The revenue outturn report shows a small underspend of £0.1m against a budget of £693.7m. An overspend on employee related expenditure of £17.1m was in respect of police officer and police staff overtime resulting from unforeseen events requiring police action and because of the delay in the recruitment of officers. The overspend was offset by additional income (£17m).

The most significant change in the balance sheet relates to movements in the pension fund. In 2022/23 we saw the Local Government Pension Scheme move from a net liability position of £265.4m in 2021/22 to a net asset position of £62.9m 2022/23. The Police Pension fund saw a change in liability moving from £8,404m in 2021/22 to £6,148m in 2022/23. Material movements of this kind are not unusual in the net pension asset/liability. This movement is consistent with other organisations in the local government sector.

In addition to revenue expenditure, money is spent on assets such as buildings, computers and vehicles. Delivery of the capital programme is managed by Greater Manchester Police, but all assets are owned by Greater Manchester Combined Authority (GMCA). The capital position as at 31st March 2023 shows an underspend of £11.8m which is largely a result of slippage in delivering the planned capital programme. The expenditure programme. The most significant slippage relates to the replacement of IT and the digital programme and the move from Chester House. The in-year capital expenditure of £27m was funded substantially through borrowing (£24m) with the remainder through capital grants, capital receipts and additional revenue contributions.

Financial planning and monitoring arrangements

The budget for 2022/23 was set by the Greater Manchester Mayor as the Police and Crime Commissioner (PCC), following consultation with the Chief Constable, and was approved by the Greater Manchester Police, Fire and Crime Panel in January 2022. The Spending Review in October 2021 confirmed initial grant funding for police Forces for a three-year period, with an increase of £550 million in 2022/23. For Greater Manchester this equated to an additional £29.9m police fund grant. In addition, PCCs were permitted flexibility to increase the precept by up to £10 (for a Band D property) in each of the three years, to use according to local needs. PCCs were permitted In 2023/24 to the increase in precept to £15 (for a Band D property)

Total funding available to GMP through the budget set for 2022/23 was £693.7m (2021/22 £647.3m).

As in previous years, GMP continued to monitor its financial position reporting to the Revenue Review Group and Capital Review Group to ensure that budgetary pressures are highlighted and managed in-year. The potential effects of any future unplanned changes are also flagged as early warnings and are then reviewed on a monthly basis. Monthly finance reports are also prepared for the Deputy Mayor on behalf of the PCC, the reports provide an update on the current year-to-date position as well as a forecast year end position. The reports to the Deputy Mayor also highlight any potential financial issues (financial risks or early warnings) for future financial years where applicable.

Overall commentary on the Financial Sustainability reporting criteria – continued

Arrangements and approach to 2023/24 financial planning

The Spending Review in October 2021 confirmed total grant funding for police forces for the next three years, with increases of £550 million in 2022/23, £650 million in 2023/24 and £800 million in 2024/25 with flexibilities to increase the precept by up to £10 per year. In 2023/24 this equated to an increase in Police Fund Grant of £9.9m

GMP has achieved a balanced budget for 2023/24. The arrangements for doing so largely followed the arrangements in place for 2022/23. The budget for 2023/24 was approved at the Greater Manchester Police, Fire and Crime Panel in March 2023. The Mayor set a balanced budget, utilising the one off maximum £15 precept increase on band D properties.

The 2023/24 funding settlement was below the 3% minimum increase for local government. As a result, GMP needed to undertake a programme of work to re-prioritise budgets and savings through efficiencies although the scale of this was partly offset by the increased precept funding. Notwithstanding the financial pressures arising from the settlement, GMP also needed to fund additional priority improvement projects as part of the revision to the MTFP.

The funding settlement, along with the need to sustain the significant performance improvements delivered as part of the force-wide improvement programme, created a significant challenge for the organisation.
The revenue budget for 2023/24 set out the resources available to fund the Mayoral PCC functions and to resource GMP’s policing services.

In order to maintain the improvements made in 2022/23 and strengthen public safety, delivering additional benefits to the people of Greater Manchester, the 2023/24 budget included additional investments in:

- the establishment of neighbourhood crime teams in each district;
- delivering improvements in both 999 and 101 waiting times;
- increasing capacity and capability of crime scene investigators and digital investigators intended to strengthen opportunities to detect neighbourhood crime and sexual offending, including against children;
- increasing numbers of investigators to conduct initial investigations when a crime is reported intended to improve the outcomes in respect of crimes such as criminal damage, anti-social behaviour and hate crime;

The revenue budget also took account of unavoidable costs arising during 2022/23 including the:

- full year effect of the Police Officer Uplift Programme;
- pay awards for officers and police staff for 2022/23; and
- increase in energy costs

GMP reviewed the major financial risks associated with the budget including the:
- continued implementation of GMP’s improvement plan as set out in the POAP;
- impact of other inflationary pressures on police budgets:
- likelihood that surpluses on the collection fund included in the 2023/24 budget will be not as favourable in future years; and
- police pension fund grants failing to continue to cover additional costs.

The budget setting process included an assessment of reserves, including those attributable to GMP. These were estimated to be £61.9m as at 31 March 2024 including a general fund balance of £15m. This allowed for a planned use of reserves of £21.4m to support services.

Based on the above considerations we are satisfied there is not a significant weakness in GMP’s arrangements in relation to financial sustainability.

VFM arrangements

Governance

How the body ensures that it makes informed decisions and properly manages its risks

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria

Decision making arrangements and control framework

GMP's governance structure is set out within its Annual Governance Statement. The governance framework comprises the systems, processes, culture and values by which the Chief Constable directs and controls the conduct of business and the activities.

The Mayor (as the PCC) is responsible for the formal oversight of GMP, the provision of all funding, budget-setting, performance scrutiny and strategic policy development. However, as the Mayor is not a corporation sole, GMCA has overall responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's police officers and police staff operate.

The Chief Constable is responsible for ensuring the Force's business is conducted in accordance with the law and proper standards, and that the use of public money is safeguarded and properly accounted for.

The Mayor and Chief Constable are responsible for maintaining appropriate risk management processes, governance arrangements, and ensuring there is a reliable system of internal control which supports those functions.

The Chief Constable's Financial Instructions provide detailed guidance on the operation of specific financial processes. These instructions apply to all police officers and police staff engaged in financial activities throughout the Force and are in conjunction with the Code of Ethics, which defines standards of behaviour to everyone working in policing. Monitoring arrangements are in place to ensure compliance.

In 2022/23, GMP carried out an extensive review of its corporate governance arrangements and implemented a reformed structure of strategic boards intended to

- improve how decisions are informed, regulated and recorded;
- ensure the overall purpose is fulfilled;
- ensure outcomes are stated and achieved;
- improve the effectiveness, efficiency and legitimacy of practices;
- mitigate, manage or eradicate risks to the resilience and future viability of the Force.

The new arrangements include the Senior Command Team (SCT) Governance Board, which is supported by five governance boards, which collectively cover all the statutory and contractual requirements and responsibilities.

The Senior Command Team (SCT) Governance Board, acts as the Chief Constable's Executive Board. This is the senior decision-making board in GMP, responsible for ensuring the Chief Constable's responsibilities for the governance of the Force, responsibilities to the Mayor and other responsibilities under legislation are effectively discharged.

The supporting five governance boards include the:

- Diversity, Equality & Inclusion Board
- Finance Governance Board
- People Governance Board
- Corporate Risk Governance Board
- Plan on a page Improvement Governance Board

As reported previously, in addition to the above, the Greater Manchester Joint Audit Panel and associated internal audit arrangements support the Chief Constable and the Mayor by providing independent assurance on the adequacy of the governance and risk management framework and the internal control environment. The Panel also provides independent assurance on the annual governance processes in operation within GMP and GMCA appropriate to their responsibilities for administering the Police Fund. It comprises five members including the Chair, who are independent of the Chief Constable and the Mayor; alongside representatives from the Force and GMCA. These members are attended by representatives of both internal and external audit.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Internal Audit

In order to provide assurance about the effective operation of arrangements, including measures to prevent and detect fraud, GMP has a team of internal auditors, led by the Head of Internal Audit. The annual Internal Audit plan is based on an assessment of the risks GMP faces and is determined to ensure there is assurance on the overall adequacy and effectiveness of the GMP's framework of governance, risk management and control. The plan is agreed with management at the start of the financial year and is reviewed by the Joint Audit Panel prior to final approval. We have reviewed the internal audit plan for 2022/23 and confirmed work was planned following a risk-based approach.

The Head of Internal Audit opinion for the 2022/23 year confirms there is reasonable assurance over the adequacy and effectiveness of the framework of governance, risk management and internal control operating at GMP.

This represents an improvement from the previous year and is representative of the progress made by the Force, particularly in relation to strengthening the governance and risk management arrangements.

The improvements made by GMP to its governance arrangements during 2022/23 satisfactorily addressed the weakness and associated recommendations we identified during 2020/21.

Risk management and monitoring arrangements

In November 2022, a full review of GMP's risk management process was carried. A proposal for "process improvement" was taken to December 2022 Risk Governance Board. This proposal was approved, and the new process was rolled out across the Force. Alongside this, a new corporate risk register has been created.

In April 2023, Internal Audit noted the progress that had been made following the establishment of the Risk Board which took responsibility for overseeing the improvements in risk management maturity at GMP. The Force is making steady progress to moving to the next level of risk management maturity "Risk defined" when the activities that are being established are rolled out and implemented across the Force.

The Risk Management Board meet on a quarterly basis and is chaired by the Chief Resources Officer. The Board continues to review progress and approves improvements to the risk management processes. Risks are discussed weekly by the Senior Command Team to ensure progress is made outside of the quarterly Risk Management Board.

An update to the Joint Audit Panel in November 2023 confirmed all districts and branches hold their own risk registers which are stored centrally. These are subject to review to ensure mitigations plans are in place and progress is being made.

We have attended all the Joint Audit Panel meetings held in 2022/23. From our attendance at these meetings, we have confirmed the panel receives regular updates on risk management in the form of Internal Audit updates, risk registers and supporting reports. We have seen active member engagement in challenging the reports received from officers, internal audit and external audit.

Regulators

As previously reported, on the 10 December 2020 HM Inspectorate of Constabulary and Fire & Rescue Service (HMICFRS) published "An inspection of the service provided to victims of crime by Greater Manchester Police". This inspection was carried out to establish the extent to which GMP provided a good service to victims of crime and to follow up areas of concern raised through previous HMICFRS inspections and assessments.

HMICFRS found that, in too many cases, the service provided was not good enough. The report highlighted a 'cause of concern' relating to crime reporting.

In addition to the "cause of concern", the inspection report made nine recommendations, and identified one further area for improvement. Following the report, HMICFRS raised its level of scrutiny on GMP, placing them in the "engage" stage of monitoring. In response to the findings, GMP established its own internal action plan with arrangements for monitoring and coordinating progression with these actions. The plan was updated each fortnight and submitted to HMICFRS to monitor progress. In 2021/22, GMP initiated its GMP HMICFRS Oversight Board to more closely monitor activity in response to HMICFRS reporting and to progress swifter action to address the recommendations, area for improvement and cause for concern.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Regulators continued

On 30 September 2021 HMICFRS published an ‘Accelerated cause of concern’ relating to GMP’s performance in responding to vulnerable people. The report identified that in too many important respects, the Force could not routinely respond to emergency and priority incidents within the timescales it had set. This cause of concern was reported by HMICFRS earlier than usual in the inspection and reporting process because, in their view, it highlighted a significant service failure or risk to public safety. HMICFRS reported that GMP had also failed to make the improvements recommended in previous inspections with regards to this area.

The 2021/22 PEEL report provided an updated position of the Force’s performance at March 2022. This noted improvements in some of the areas identified as concerns in the December 2020 report, most notably in relation to the recording of crime which was assessed as ‘Adequate’ in March 2022. The PEEL report noted ‘The Force has improved sufficiently to address the concerns we raised in our victim service inspection’.

The PEEL report assessed how good GMP was in ten areas of policing. The report contained graded judgments for nine of the ten areas and concluded that GMP were “inadequate” in three areas, “requires improvement” in five areas and “adequate” in one area.

The HM inspector’s observations included the following statement: *“While this report outlines the concerns I have about the performance of Greater Manchester Police in keeping people safe and reducing crime, I am pleased with the progress that has been made in a short period of time since the Force published its new long-term plan, Planning our future: Building a new GMP.”*

In addition to the one accelerated cause of concern reported in September 2021,the March 2022 PEEL report reported three further causes of concern in the following areas:

- investigating crime, supervising investigations and updating victims to an acceptable standard;
- the arrangements in place to support and build its workforce; and
- the Force’s understanding of either its demand or the capability and capacity of its workforce.

The area which GMP were graded as “adequate” related to recording data about crimes. The Inspector’s report found that GMP had improved its crime recording by introducing new processes to make sure it was accurate. This meant the Force was properly recording a “substantial majority “of the crimes reported by the public. This demonstrated the progress made by the Force in this area since the publication of the December 2020 HMICFRS report.

GMP continued to work closely with HMICFRS liaison officers to understand the detail behind the recommendations reported and to ensure the actions it planned would adequately address the issues raised. A dedicated HMICFRS liaison team now maintains a record of all HMICFRS concerns and recommendations, with assigned owners and actions. This record is updated on a monthly basis. Updates on progress continued to be reported monthly to the HMICFRS oversight board. After planned actions have been completed and can be evidenced, GMP provide an update to HMICFRS who then determine whether the Force has adequately addressed the recommendation such it can be closed.

HMICFRS issued an update on the Causes of Concern in October 2022. This concluded *‘In summary, the Force has, in the main, addressed the concerns I had in relation to how it answers calls for service, assesses risk and responds to vulnerable people. We will continue to monitor its performance and look for further improvements as part of our ongoing PEEL programme of inspection’.*

The letter covered each of the three key themes as follows:

Responding to the public – *“The Force has, in the main, addressed the concerns I had in relation to how it answers calls for service, assesses risk and responds to vulnerable people. We will continue to monitor its performance and look for further improvements as part of our ongoing PEEL programme of inspection.”*

Investigating Crime – “*There has been some improvement in the investigation of crime by Greater Manchester Police. It has sufficiently improved the timeliness of investigations, so this is no longer an inspection recommendation. However, the Force has more work to do to improve the quality of investigations and in turn improve outcomes for victims. As a result, the recommendations on investigation plans and supervision remain in place and will be further reviewed as part of our PEEL programme”.*

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Regulators continued

Building, supporting and protecting the workforce – *"The Force has improved its understanding of the risks and threats to its workforce and has put arrangements in place to support and build its capacity and capability. It has made sufficient progress to address the cause of concern in this area".*

The report confirmed plans were in place to continue GMPs journey of improvement. Whilst action was still needed in some areas, GMP was removed from the 'engage' phase of Force monitoring and reverted to the standard monitoring process.

The next inspection, undertaken as part of the PEEL continual assessment programme, was in December 20023. At that time, GMP was assessed as being either good or adequate in:

- preventing crime
- leadership and Force management
- investigating crime
- police powers and public treatment
- responding to the public
- protecting vulnerable people and
- developing a positive workplace

In the area of "Managing offenders", GMP was assessed as required improvement.

In our view, the October 2022 report provides assurance the significant weaknesses in arrangements had been addressed by the Force. Our recommendation has also been adequately addressed.

VFM arrangements

Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

Performance Management

Our Auditor's Annual Report for 2020/21 identified significant weaknesses in GMP's performance management framework. Work to develop a refreshed performance management framework was undertaken and launched in June 2021 The new performance management framework supported the measurement and understanding of the Force's progress and measured how well GMP is delivering the services required to meet the "promises" made to the public in its improvement plan subsequently reflected in the Plan on a Page. The new performance management framework made it clear that all GMP employees should expect to be held accountable for their individual performance and, where they are in a leadership role, the performance of the team they are responsible for. The framework set out a clear structure for how performance would be monitored and measured within GMP. The structure included a series of formal meetings and mechanisms for performance review:

- each week the Chief Officers consider overall Force performance, making use of a weekly accountability report which provides key data across all districts for a number of indicators.
- every month the Chief Constable meets with the Deputy Mayor to discuss performance and twice a year is required to deliver a report to a Mayoral Accountability meeting.
- monthly meetings are led by the Deputy Chief Constable are attended by Chief Officers, District Commanders, and representatives of key partner organisations including the HMICFRS and the Deputy Mayor's office.
- quarterly performance reviews led by the Assistant Chief Constable in charge of local policing.
- monthly district and branch performance meetings held by District Commanders and Branches Leaders.

Accountability is a key part of the performance management framework. Where performance issues arise, an action is identified to remedy the issues and are assigned an action owner with deadlines for completion of the actions. The actions are then monitored and the action owner held to account for providing status updates and, ultimately, for completion of the action.

During 2022/23 the Police, Crime and Fire Panel set out a new performance monitoring framework. This includes the use of performance scorecards to monitor key metrics under each priority, alongside a programme of deep dive reports agreed by panel members.

An Internal Audit review of the Performance Management Framework in May 2023 provided substantial assurance. The audit confirmed there is an appropriate performance management framework in place with a clear alignment to the Plan on a Page. The framework provides the tools for managing performance across the Force.

The HMICFRS follow up visit in Aug- Sept 2022 confirmed a *"new governance and performance framework was introduced as part of the strategic plan. The framework has continued to develop and is now an established and effective process. There is a dashboard of detailed performance data, which supports chief officers' understanding of Force performance and the capability and capacity of its workforce".*

As part of the refreshed performance management framework, the Force also introduced a mandatory performance review process for individuals. This included completing a personal development review for all staff by April 2023. Aside from ensuring all staff receive feedback on their individual performance and development needs, this has provided a mechanism for the Chief Constable to identify talented officers and future leaders.

The Force has invested in recruiting additional staff to support the improvement in its services. This includes senior leaders as well as additional police staff including control room call handlers and despatchers. The Force is also on track to meet national targets to recruit new officers. The Force had 7,591 officers at 30 September 2022 and was on track to hit its target of 8,191 police officers by the end of March 2023. Over recent year, the Force had experienced high numbers of leavers, including experienced officers transferring to other Forces. However, more recently it has supported officers returning and attracted officers from other Forces.

In 2021/22 we reported that the new performance management framework appeared to be fully embedded within GMP and, together with the October 2022 HMICFRS report confirmed sufficient progress had been made to address the original cause for concern, we are satisfied there is evidence the significant weakness has been adequately addressed.

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

Partnerships and Commissioning

The Chief Constable has a statutory duty under the Police Reform and Social Responsibility Act 2011 to keep opportunities for collaboration with other bodies, including non-police bodies, under review. The Mayor has a parallel responsibility under the 2011 Act to facilitate collaboration between Forces in the interests of 'efficiency' or 'effectiveness'.

GMP has a number of collaborations with other bodies across a range of sectors. Collaboration takes many forms and includes a range of policing themes, including tackling serious and organised crime; providing specialist operational capability; and enabling the provision of support functions to policing. GMP continues to develop partnerships with other agencies such as North West Ambulance Service and Greater Manchester Fire and Rescue Service.

GMP has continued to work with other organisations in the criminal justice system and with local authorities to determine how public money can be better used across organisations to deliver efficiencies and improved outcomes for the public.

Partnerships and collaborations assist in the delivery of both the Greater Manchester Police and Crime Plan and GMP's Plan on a Page. It is important for GMP to periodically and strategically review the collaboration arrangement to consider their ongoing participation to ensure that it delivers the intended benefits/outcomes, continues to meet GMP's needs and the communities it serves and provides value for money.

To address this, an internal audit review was undertaken in March 2022 of GMP's participation in formal collaborations. The review highlighted issues with the collaboration agreement documents used by GMP, the performance data available and the arrangements in place for reviewing outcomes. The internal audit identified that GMP was not undertaking review consistently for all collaborations. In some cases where a review was done and issues were identified, they were not dealt with appropriately or raised with the Force Collaboration Leads.

An action plan to address these opportunities for improvement has been agreed with progress being reviewed and monitored by management and Internal Audit.

GMP has taken steps to strengthen its scrutiny of formal collaborations. Each collaboration arrangement now has a named senior responsible officer at GMP. A Collaborations Oversight Board has also been introduced to provide Force-wide scrutiny of the collaboration agreements. The Board monitors all collaborations to ensure effective governance and review arrangements are in place and that the necessary steps are being taken to address any issues or risks identified.

Separately, payroll services are delivered in conjunction with Trafford Council as a jointly managed shared service. A Joint Management Board (JMB) meets regularly to monitor governance arrangements for this partnership.

Arrangements for commissioning or procuring services

Procurement activity at GMP is monitored by the Procurement Governance Group to ensure due diligence and compliance with required standards in the letting of contracts.

The Integrated Scheme of Governance contains Financial Regulations and Contract Standing Orders covering the Force. The Chief Constable's Scheme of Financial Delegation sets out the delegated authority levels. These apply to all officers and staff, and anyone acting on their behalf.

A contract review board ensures that contracts are managed and monitored in line with contractual requirements.

iOPS Project – PoliceWorks Application

In our Auditor's Annual Report for 2020/21 we identified a significant weakness in GMP's procurement and contract management arrangements as a result of issues with the records management system known as 'PoliceWorks'. The application went live across GMP in July 2019 as part of the iOPS project which sits within the organisation's Information Systems Transformation Programme. Following the application going live, GMP officers and staff reported issues with the system performance and functionality of PoliceWorks.

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

iOPS Project – PoliceWorks Application continued

Two independent reviews of the PoliceWorks application were undertaken. These highlighted a number of issues including weaknesses in the initial scoping of the system as part of GMP's procurement process as well as issues with the ongoing contract management arrangements.

As we have previously reported, the independent reports commissioned by GMP concluded there was little evidence of a robust contract management approach having been adopted by GMP for a contract of this scale, value and associated risk. The reviews also established officers undertaking the 'operational' contract management role were not aware of, or did not understand the commercial contractual obligations the supplier was expected to comply with. In particular, there was evidence to demonstrate the contract performance management model and Service Level Agreements (SLA) were not being managed by GMP in line with the performance management measures stated in the Deployment Order.

Due to the issues identified within the application, a number of product fixes and upgrades were implemented in an attempt to improve the system functionality. However, of the seven main fixes and upgrades released, none were delivered to the originally planned date; four of releases were between one and six months late. Despite the system upgrades, GMP ultimately concluded that PoliceWorks cannot be adapted or fixed to fully meet the needs of the Force. In March 2022 the Chief Constable made the decision to replace the PoliceWorks system.

The Digital Policing Programme (DPP) was established in July 2022. This initially consisted of 3 projects: the RMS Project (PoliceWorks replacement); the Strategic Data Store (SDS) project for legacy data; and the Digital Futures Project (contract renewal, iOPS upgrades, Mobile and Dashboard solutions).

The DPP has a senior leadership team consisting of an experienced chief superintendent as programme director, supported by a dedicated programme manager, technical director, and a police superintendent as lead for business change. The senior team are supported by experienced project managers, and specialists in procurement, information management and data architecture. These roles address areas where weaknesses were identified in the independent reviews.

A contract manager with large-scale public sector experience was also recruited to take responsibility for ensuring adherence to the new contracts for ControlWorks, PoliceWorks, and for the Data Warehouse.

GMP has also engaged an experienced commercial law firm with subject matter experts in Police records management systems to advise on procurement of the new systems, the exit from PoliceWorks and the new contracts for PoliceWorks, ControlWorks, and the Data Warehouse.

Each of the five projects within DPP has a monthly project board and the project highlights are reported into DPP Board. The Digital Policing Programme Board is chaired by the newly appointed Assistant Chief Officer with responsibility for Digital Services. Attendees include representatives from GMCA, the programme team, legal services, finance, procurement, information management and heads of crime, intelligence, case and custody, and safeguarding branches. The DPP Board reports directly to the Chief Officer Team and updates the Deputy Mayor for Policing and Fire through the accountability framework.

From our attendance at the Joint Audit Panel we can confirm progress reports are taken regularly to the Panel. These provide appropriately detailed updates on progress and allow for challenge and scrutiny by Panel members.

Notwithstanding the arrangements in place to manage the procurements, GMP has not yet replaced the systems as it intended. The records management system (RMS) replacement has proved challenging because, after detailed discussions with suitable RMS suppliers, GMP was not confident the process it was following would result in the selection of a suitable product. Following legal advice, the process was halted. Given the limited market for this type of system, the GMP expects to re-commence a procurement process in 2024/25.

GMP has continued to work with PoliceWorks. It has made improvements in how it manages the contract and the provider. As a result, the changes that made, through the use of software patches and upgrades, make the system run better. Whilst there are still weaknesses in the system, these have been reduced so that overall performance has improved. Officers are now able to access the records they need more quickly.

In addition, as part of the work needed to support the decommissioning of Chester House, a relocation of the data centre was required. The new data centre and system is being used to hold PoliceWorks data with regular uploads to ensure accurate and timely information can be provided to officers. This has taken some pressure off the PoliceWorks infrastructure and has also contributed to improved performance from the system.

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

iOPS Project – PoliceWorks Application continued

GMP recruited new staff to ensure it had the necessary skills to critically review the PoliceWorks database and infrastructure. Extensive work has been undertaken to ensure improvements in the availability and reliability of the system to officers and staff. This included database administration and maintenance. Crucial upgrades were then made that had previously been delayed. Taken together, these changes have improved the stability of the system and there have been no further outages resulting from failures in software or hardware.

Change requests continue to be received to improve capability and meet statutory requirements. However, the improved stability of the system means these, and other any other upgrades, can now be made within hours rather than days.

Notwithstanding all of the improvements made, the user interface is still not as effective as the Force wants it to be. As a result, a replacement RMS systems remains a high priority.

Governance

A senior responsible officer leads delivery in IT and chairs the Digital Policing Programme (DPP) Board. The DPP Board reports to the Force change board POAP and through to the Joint Audit Panel.

An Internal Audit review of the project gave a reasonable level of assurance about the arrangements in place. IA reported that:

- controls were designed and operating effectively in most areas to manage DPP project and programme governance;
- there was evidence of well led and defined project structures and governance processes
- business cases were well defined and complied with the established governance processes
- appropriate delivery plans and change control mechanisms are in place;
- programme and project meetings include oversight of progress, financial implications and risks
- each project is managed well with approved terms of reference, and clearly defined roles and responsibilities;
- A programme of stakeholder engagement and communications is in place, underpinned by a documented strategy and plan, and is incorporated into both internal and external considerations

We are satisfied GMP has made improvements to its current PoliceWorks functional performance and has strengthened the procurement and governance arrangements in place to support the DPP.

Given the above progress, we are satisfied the significant weaknesses in arrangements has been adequately addressed. However, GMP should continue to apply the lessons learnt in relation to its procurement of a major operational system to avoid repetition of these issues in the future.

VFM arrangements

Identified significant weaknesses in arrangements and our recommendations

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year

As part of our 2020/21 audit work, we identified the following significant weaknesses, and made recommendations for improvement in GMP's arrangements to secure economy, efficiency and effectiveness it its use of resources. These identified weaknesses have been outlined in the table below, along with our view on the Authority's progress against the recommendations made, including whether the significant weakness is still relevant in the 2022/23 year.

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
1	**HMICFRS victims of crime inspection (December 2020)** On the 10 December 2020 HMICFRS published "An inspection of the service provided to victims of crime by Greater Manchester Police". HMICFRS found that in too many cases, the service provided is not good enough. The report highlighted a 'cause of concern' relating to crime reporting. The HMICFRS report also highlighted that the Force has not overcome the deficiencies in service identified in its 2019 integrated Police Effectiveness, Efficiency and Legitimacy programme (PEEL) assessment and in its 2018 crime data integrity inspection. In our view, the above matters constitute significant weaknesses in proper arrangements for: • improving economy, efficiency and effectiveness in how GMP uses information about its performance to improve the way it manages and delivers its services; and • how it makes informed decisions and properly manages its risks.	Governance Improving the 3Es	Greater Manchester Police should: • address the cause of concern, recommendations and areas for improvement within the HMICFRS report; and • review and improve arrangements for ensuring appropriate action and progress is achieved against improvement recommendations raised by the inspectorate and other review agencies.	GMP established its own internal action plan for monitoring and coordinating progress. The plan was updated each fortnight and submitted to HMICFRS to enable their monitoring and oversight of progress. In January 2021, GMP initiated the GMP HMICFRS Oversight Board to more closely monitor HMICFRS activity and progress swifter action to close recommendations, areas for improvement and causes for concern. We have reviewed the agenda papers for a sample of HMICFRS oversight Board meetings and can see that GMP's arrangements for monitoring and implementing actions against HMICFRS recommendations are improved. Public reports are taken to the Police, Fire and Crime Panel on a regular basis demonstrating progress made against HMICFRS findings. The 2021/22 PEEL report provided an updated position as at March 2022. This noted improvements in some of the areas identified as concerns in the December 2020 report, most notably in relation to the recording of crime which was assessed as 'Adequate'. The PEEL report noted 'The Force has improved sufficiently to address the concerns we raised in our victim service inspection'. However, issues remained in other areas, particularly responding to calls from the public. HMICFRS issued an accelerated Cause of Concern in September 2021, which formed part of the wider 2021/22 PEEL Assessment. HMICFRS issued an update on the Causes of Concern in October 2022. This concluded 'In summary, the Force has, in the main, addressed the concerns I had in relation to how it	We are satisfied GMP has addressed the recommendations made and improvements required within the HMICFRS report.

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year Continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
1	**HMICFRS victims of crime inspection (December 2020)**	Governance Improving the 3Es		answers calls for service, assesses risk and responds to vulnerable people. We will continue to monitor its performance and look for further improvements as part of our ongoing PEEL programme of inspection'. The cause for concern revisit undertaken in August and Sept 2022 reported on 28 October 2022. This report confirmed plans had been put in place to continue GMP's journey of improvement. The letter confirmed that although there were still things to do, GMP would be removed from the 'engage' phase of Force monitoring and would revert to the standard monitoring process. The next inspection was expected to be part of the PEEL continual assessment programme during 2023. The October 2022 report provides assurance that the significant weaknesses in arrangements had been addressed and therefore our recommendation has been adequately addressed.	

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
2	**HMICFRS Inspection Report (December 2020)** The extent of the failings detailed within the December 2020 HMICFRS inspection report and GMP's failure to secure the improvements identified by HMICFRS in its previous inspections / assessments highlights not only significant weaknesses in the services provided to victims of crime (as previously reported), but also significant weaknesses in the Force's Governance and Performance Management arrangements. In particular, and linked to our "Governance" and "Improving Economy, Efficiency and Effectiveness" value for money reporting criteria: • how the Force evaluates the services it provides and how performance information has been used to assess performance and identify areas for improvement; and • how the Force ensures effective processes and systems are in place to communicate relevant, accurate and timely management information to support properly informed decision making and ensure corrective action is taken where needed.	Governance Improving the 3Es	Greater Manchester Police should continue the steps taken during 2021/22, to improve its Governance Structures and Performance Management Framework including: • using performance information to assess performance and identify areas for improvement; • ensuring effective processes and systems are in place to communicate relevant, accurate and timely management information and that corrective action is taken where needed; and	Following the PEEL report work began to develop a refreshed performance management framework, which was launched in June 2021. The purpose of the new performance management framework is designed to measure and understand the Force's progress and to measure how well GMP are delivering on the promises made to the public as set out on the "Plan-on-a-Page". The framework is intended to be consistently applied across GMP to all districts and branches. Resources have been provided to districts/branches to help them monitor and improve performance. The new performance management framework makes clear that all GMP employees should expect to be held accountable for their individual performance and, where they are in a leadership role, the performance of the team they are responsible for. The framework sets out a clear structure for how performance is monitored and measured within GMP including the meetings and mechanisms for performance review: • Each week the Chief Officers consider overall Force performance, making use of a weekly accountability report which provides key data across all districts for a number of indicators. • Every month the Chief Constable meets with the Deputy Mayor to discuss performance and twice a year is required to deliver a report to a Mayoral Accountability meeting. • Monthly meetings are led by the Deputy Chief Constable are attended by Chief Officers, District Commanders, and representatives of key partner organisations including the HMICFRS and the Deputy Mayor's office.	We are satisfied GMP has addressed the weakness in arrangements in 2022/23.

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
2	**HMICFRS Inspection Report (December 2020)**	Governance Improving the 3Es	• taking properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. The Force should formally review its new and improved arrangements to ensure that the changes are embedded and are starting to deliver the required improvements in service performance.	• Quarterly performance reviews are undertaken led by the Assistant Chief Constable in charge of local policing. • Monthly district and branch performance meetings are held by District Commanders and Branches Leaders. Accountability is a key part of a performance management framework. Where any performance issues are identified an action is identified to remedy the issue and it is assigned an action owner and a deadline for completion. The actions are then monitored and the action owner is held to account for providing status updates and ultimately for completion of the action. By April 2022, the new performance management framework was fully embedded within GMP. The follow up visit in Aug- Sept 2022 HMICFRS confirmed “new governance and performance framework was introduced as part of the strategic plan. The framework has continued to develop and is now an established and effective process. There is a dashboard of detailed performance data, which supports chief officers’ understanding of Force performance and the capability and capacity of its workForce. The Force has invested in recruiting additional senior leaders as well as additional police staff including control room call handlers and despatchers. The Force is also on track to meet national targets to recruit new officers. The Force had 7,591 officers as of 30 September 2022 and should hit its target of 8,091 police officers by the end of March 2023. The Force previously experienced high numbers of leavers, including experienced officers transferring to other Forces, but it has supported officers returning and attracted officers from other Forces.	

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
2	**HMICFRS Inspection Report (December 2020)**	Governance Improving the 3Es		Greater Manchester Police has undertaken a peer review of its occupational health unit structure and services and invested in additional welfare and wellbeing professionals to support its workForce. Its well-being board has been reinvigorated with revised terms of reference and membership. The Force has introduced a mandatory performance review process and committed to completing a personal development review, including identifying talented officers and future leaders, for all its workForce by April 2023. An ethical concerns panel has been developed and meets regularly to review and discuss issues, providing the workForce with an opportunity to raise concerns and seek guidance and support” The report confirmed that GMP had improved its understanding of the risks and threats to its workForce and has put arrangements in place to build capacity and capability. The report concluded that sufficient progress had been made to address the original cause for concern	

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
3	**HMICFRS Police Effectiveness, Efficiency and Legitimacy (PEEL) Assessment (March 2022)** On 3 March 2022 HMICFRS published the findings from their 2021/22 PEEL assessment. This assessed how good GMP is in ten areas of policing and made graded judgments in nine of these ten areas. This was GMP's first full PEEL assessment since 2018/19. GMP was judged "inadequate" in three areas (investigating crime, responding to the public and developing a positive workplace). In addition, HMICFRS raised 4 causes of concern, relating to GMP's arrangements: for responding to those who are vulnerable; for supporting and building its workForce; for understanding demand and the capability/ capacity of its workForce; and for investigating crime, supervising investigations and updating victims. Although the PEEL assessment was not published until March 2022 much of the data and intelligence used by HMICFRS when assessing GMP's arrangements is based on the financial year ended 31 March 2021. Therefore, this is indicative of the issues identified being applicable to the 2020/21 financial year. In our view, the above matters constitute a significant weakness in proper arrangements for: • improving economy, efficiency and effectiveness in how GMP uses information about its performance to improve the way it manages and delivers its services; and • how it makes informed decisions and properly manages its risks.	Governance Improving the 3Es	Greater Manchester Police should: • address the causes of concern, recommendations and areas for improvement reported in the HMICFRS PEEL assessment; and • ensure that the governance structures and arrangements for ensuring appropriate progress is achieved are working adequately.	Significant progress has bee4 made in addressing the recommendations identified by HMICFRS. In October 2022 HMICFRS wrote to the Chief Constable, revisiting the causes of concern identified in the PEEL assessment. The letter covered each of the three key themes, with the summary of each set out below: Responding to the public - In summary, the Force has, in the main, addressed the concerns I had in relation to how it answers calls for service, assesses risk and responds to vulnerable people. We will continue to monitor its performance and look for further improvements as part of our ongoing PEEL programme of inspection. Investigating Crime - In summary, I am pleased that there has been some improvement in the investigation of crime by Greater Manchester Police. It has sufficiently improved the timeliness of investigations, so this is no longer an inspection recommendation. However, the Force has more work to do to improve the quality of investigations and in turn improve outcomes for victims. As a result, the recommendations on investigation plans and supervision remain in place and will be further reviewed as part of our PEEL programme. Building, supporting and protecting the workforce - In summary, I am satisfied that the Force has improved its understanding of the risks and threats to its workforce and has put arrangements in place to support and build its capacity and capability. It has made sufficient progress to address the cause of concern in this area.	We are satisfied GMP has addressed the weakness in arrangements in 2022/23

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
3	**HMICFRS Police Effectiveness, Efficiency and Legitimacy (PEEL) Assessment (March 2022)**	Governance Improving the 3Es		The overall result of this was to remove Greater Manchester Police from the 'engage' phase of Force monitoring. Alongside the work completed on the previous two recommendations, this provides evidence our recommendations have been responded to. The updated PEEL report follow up visit in Oct 2022 provides evidence that the significant weaknesses in arrangements were resolved and confirms our recommendations have been adequately addressed. In Dec 2023 a further inspection was undertaken and confirmed GMP is assessed as either good or adequate with one area assessed as "requires improvement". GMP moved to the normal monitoring process.	

forvis mazars

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

Previously identified significant weakness in arrangements		Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
4	**Procurement and contract management arrangements** The application 'PoliceWorks' went live within GMP in July 2019 as part of the iOPS project within the IS Transformation Programme. Due to the on-going problems with the functionality of the system GMP commissioned two independent reviews which were completed in September and November 2021. The independent reviews completed on the PoliceWorks element of the iOPS contract highlighted issues within the procurement and contract management of the project. As part of the procurement process for the operational policing system, GMP included within the scope of the system that the anticipated volumes of events to be recorded on the system as 720,000 per annum. As at February 2021, the actual number of events to be recorded was 1,930,500, with the annual equivalent 1,158,300. Whilst this number is in excess of the number of incidents in the initial scoping document the approach This, along with other examples, highlights issues with GMP's scoping of the system which has led to capability and functionality issues with the system developed and implemented.	Improving the 3Es	Greater Manchester Police should ensure that: • the failings identified within the two independent reviews on the procurement of the PoliceWorks system are learnt from in future large scale capital procurement projects; and that • contract management arrangements are appropriately robust and recognise the scale, value and associated risk of future large scale contracts. This should include ensuring that staff responsible for contract management are appropriately trained.	In March 2022, the Chief Constable made the decision to replace the PoliceWorks system. The Digital Policing Programme (DPP) was established in July 2022. At inception the programme consisted of 3 projects: the RMS Project (PoliceWorks replacement); the Strategic Data Store (SDS) project (legacy data); and the Digital Futures Project (contract renewal, iOPS upgrades, Mobile and Dashboard solutions). The DPP senior leadership team consists of an experienced chief superintendent as programme director, supported by a dedicated programme manager, technical director, and a police superintendent as lead for business change. The senior team are supported by experienced project managers, and in procurement, information management and data architecture, areas where weaknesses were identified in the independent reviews. Furthermore, a contract manager, experienced in large-scale public sector projects has been recruited to take responsibility for ensuring adherence to the new contracts for ControlWorks, PoliceWorks, and for the Data Warehouse. GMP has engaged an experienced commercial law firm with subject matter experts in Police RMS systems to advise on procurement of the new RMS, exit from PoliceWorks and the new contracts for PoliceWorks, ControlWorks, and the Data Warehouse.	GMP should continue to apply the lessons learnt in relation to its procurement of a major operational system to avoid repetition of these issues in the future. Given the above progress we are satisfied that the significant weaknesses in arrangements has been adequately addressed.

forvis mazars

VFM arrangements – Prior year significant weaknesses and recommendations

Progress against significant weaknesses and recommendations made in the prior year (continued)

	Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
4	**Procurement and contract management arrangements**	Improving the 3Es		Each of the five projects within DPP has a monthly project board and the project highlights are reported into DPP Board. An executive design authority, attended by Information Security, Information Management and procurement specialists from GMCA has also been established with a terms of reference that includes the review of key strategies and decisions. The Digital Policing Programme Board is chaired by the newly appointed Assistant Chief Officer with responsibility for Digital Services, and attendees include representatives from GMCA, the programme team, legal services, finance, procurement, information management and heads of crime, intelligence, case and custody, and safeguarding branches. The DPP Board reports directly to the Chief Officer Team and updates the Deputy Mayor for Policing and Fire through the accountability framework. Progress reports are taken regularly to the Joint Audit Panel and provide appropriately detailed updates on progress made. An Internal audit review confirmed the progress made with Governance arrangements and provided a reasonable level of assurance with a small number or medium and low risk recommendations. A number of good practises were also recognised. We are satisfied GMP has made improvements to its current PoliceWorks functional performance and has strengthened the procurement and governance arrangements in place to support the DPP.	

04

Other reporting responsibilities and our fees

Other reporting responsibilities and our fees

Other reporting responsibilities

Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The Comptroller and Auditor General ('C&AG') has signed their opinion on the 2022-23 Whole of Government Accounts. Our audit report on the Authority's financial statements was issued after the C&AG had issued their opinion and as such we were not required to provide information to the NAO in respect of their group audit.

Fees for work as the Authority's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum presented to the Joint Audit Panel in January 2024. Having completed our work for the 2022/23 financial year, we can confirm that our fees are as follows:

Area of work	2022/23 fees	2021/22 fees
Planned fee in respect of our work under the Code of Audit Practice	£42,000	£42,000
Fee variations		
Additional testing on Defined Benefit Pensions Schemes (including work on the asset pension ceiling)	£6,250	£8,750
Additional testing as a result of the implementation of new auditing standards: ISA 220 (Revised): Quality control of an audit of financial statements; ISA 540 (Revised): Auditing accounting estimates and related disclosures; and ISA570 (Revised) Going Concern	£1,875	£1,875
Additional work arising from the change in the Code of Audit Practice and VFM reporting (including identified significant weaknesses and recommendations)	£21,875	£21,875
Implementation of new ISA315 (revised)	£5,000	N/A
Total fees	**£77,000**	**£74,500**

Appendices

A: Further information on our audit of the financial statements

Appendix A: Further information on our audit of the financial statements

Significant risks and audit findings

As part of our audit, we identified significant risks to our audit opinion during our risk assessment. The table below summarises these risks, how we responded and our findings.

Risk	Our audit response and findings
Management override of controls In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.	**How we addressed this risk** **We addressed this risk through performing audit work on:** • accounting estimates; • a sample of journal entries that meet our risk criteria; and • significant transactions outside the normal course of business, or otherwise unusual. **Audit conclusion** Our work is complete. There are no matters to bring to management's attention in respect of management override of controls.

Appendix A: Further information on our audit of the financial statements

Significant risks and audit findings continued

Risk	Our audit response and findings
Net defined benefit liability valuation The net pension liability represents a material element of Greater Manchester Police's (GMP) balance sheet. GMP's liability is split between the Greater Manchester Pension Scheme and the Police Pension Scheme. The valuation of the pension schemes' liabilities rely on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in GMP's overall valuations. There are financial assumptions and demographic assumptions used in the calculation of GMP's valuations, such as the discount rate, inflation rates and mortality rates. The assumptions should also reflect the profile of GMP's employees, and should be based on appropriate data. The basis of the assumptions is derived on a consistent basis year to year, or updated to reflect any changes. There is a risk that the assumptions and methodology used in valuing GMP's pension obligations are not reasonable or appropriate to GMP's circumstances. This could have a material impact to the net pension liability in 2022/23.	**How we addressed this risk** In relation to the valuation of GMP's defined benefit pension liability we: • critically assessed the competency, objectivity and independence of the Greater Manchester Pension Fund's Actuary, Hymans Robertson and the Police Pension Scheme Actuary, the Government Actuary Department (GAD); • liaised with the auditors of the Greater Manchester Pension Fund to obtain confirmation that the controls are designed and implemented appropriately. This will include the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS19 valuation is complete and accurate; • reviewed the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuaries, and the key assumptions included within the valuation. This will include comparing them to expected ranges, utilising information provided by PWC, consulting actuary engaged by the National Audit Office; • agreed the data in the IAS 19 valuation reports provided by the Funds' Actuaries for accounting purposes to the pension accounting entries and disclosures in GMP's financial statements; • reviewed the asset ceiling calculation, including reviewing the appropriateness of the assumptions and inputs used in the asset ceiling calculation. **Audit conclusion** Our work is now complete. We communicated in our Audit Completion Report that amendments have been made to the statement of accounts following receipt of a revised IAS19 reports and asset ceiling calculation.

Appendix A: Further information on our audit of the financial statements

Summary of uncorrected misstatements

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr: Pension Assets Cr: Pension Reserves Represents GMP's share of a £70m error identified in the GMPF auditor testing of pension assets. This related to the valuation of pooled investment vehicles which had been understated.			2,708	2,708
Dr: Depreciation (Cost of Services) Cr: Funding set aside by the Mayor to fund policing services Work performed on the GMCA audit identified an error in the depreciation charge made.	6,050	6,050		
Aggregate effect of unadjusted misstatements	**6,060**	**6,050**	**2,708**	**2,708**

Follow up on previous years recommendations

Description of deficiency

As part of our starters and leaver testing we identified one leaver who still had an active account in the Oracle (financial ledger) application. However, it should be noted that the leaver had not accessed Oracle since leaving the force.

Potential effects

Active leaver accounts increase the risk of unauthorised access to financial systems and underlying data.

Recommendation

Leavers should be removed from the relevant applications and active directory in a timely manner by the IT team.

2022/23 update

Our work on IT controls did not identify any issues.

Description of deficiency

As part of our review of access rights it was identified that three members of the finance team have complete administrative privileges in Oracle.

Potential effects

A lack of segregation of duties between Finance and IT leads to an increased risk of unauthorised transactions and changes to application configuration settings. We have reviewed all journals posted by individuals with administrative privileges and confirmed these transactions were appropriate.

Recommendation

Privileged user accounts should be restricted to the IT team.

2022/23 update

Our work on IT controls did not identify any issues.

Contact

Forvis Mazars

Karen Murray
Audit Partner
Tel: +44 (0)161 238 9248
karen.murray@mazars.com

forvis mazars