

## **GMCA Audit Committee**

Date: 23 July 2025

Subject: Head of Internal Audit Annual Opinion Report 2024/25

Report of: Damian Jarvis, Head of Internal Audit

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### **PURPOSE OF REPORT**

The purpose of this report is to provide the GMCA Audit Committee with the Head of Internal Audit Annual Assurance Opinion on the adequacy and effectiveness of the GMCA's control environment (the framework of governance, risk management and internal control) and to explain the basis of that opinion.

### **RECOMMENDATIONS:**

The Audit Committee are requested to receive the Head of Internal Audit Opinion 2024/25.

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Equalities Impact, Carbon, and Sustainability Assessment:

BOLTON  
BURY

MANCHESTER  
OLDHAM

ROCHDALE  
SALFORD

STOCKPORT  
TAMESIDE

TRAFFORD  
WIGAN

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences - Capital

N/A

Financial Consequences - Revenue

N/A

Number of attachments included in the report: N/A

#### **BACKGROUND PAPERS:**

Papers previously presented to Audit Committee

- Internal Audit Plan 2024/25
- Internal Audit Progress Update Reports and Action tracker
- GMCA Corporate Risk Register

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

# Head of Internal Audit Opinion 2024/25

## 1. Introduction

- 1.1 The Head of Internal Audit is obliged, under the new Global Internal Audit standards (GIAS) UK Public Sector (previously Public Sector Internal Audit Standards - PSIAS), to provide a report to the Audit Committee which provides an annual Internal Audit opinion on the adequacy and effectiveness of the organisations control environment (the framework of governance, risk management and internal control). This opinion includes consideration of any significant governance, risk or control failures identified during the year.
- 1.2 The basis for this opinion is the work undertaken by Internal Audit during the year and consideration of other reliable sources of assurance received. The Audit Committee is charged with overseeing the effectiveness of GMCA's governance arrangements and the Annual Internal Audit Opinion Report is used to inform the Annual Governance Statement (AGS).

## 2. Scope

- 2.1 The Head of Internal Audit opinion is substantially derived from the results of the risk-based audits contained within the Internal Audit Plan for 2024/25. In addition, the following are also considered:
  - Grant Assurance work undertaken by Internal Audit.
  - The implementation of actions agreed as part of internal audit work.
  - The results of any investigation work undertaken by Internal Audit.
  - Other sources of assurance, for example external inspections/reviews as well as internal "line 2" management assurance activities.
  - The quality and performance of the internal audit service and level of compliance with Professional Audit Standards.

### 3. Head of Internal Audit Opinion

#### 3.1. Overall Opinion

Based on the work undertaken by Internal Audit in respect of 2024/25, the opinion of the Head of Internal Audit is that **Reasonable Assurance** is provided on the overall adequacy and effectiveness of GMCA's framework of governance, risk management and internal control.

This opinion remains unchanged from last year, reflecting that the general control environment remains mostly stable against the backdrop of significant change.

- 3.2. This opinion is based upon the findings of the audit work undertaken during the year as well as other sources of assurance that can be relied upon and GMCA's direction of travel. This opinion does not imply that Internal Audit has reviewed and commented on all risks and assurances related to GMCA.
- 3.3. Organisational context is important. GMCA operates in a complex and changing environment both nationally and locally as more funding and responsibilities are devolved from Central Government. During 2024/25, GMCA appointed a new Group Chief Executive, with significant focus on developing a collaborative system capable of delivering on the ambitions of the GMCA Group including GMFRS and TfGM. This combined with the changing funding mechanism in the shape of the Integrated Settlement, is likely to lead to significant changes in how the organisation operates, how it manages and allocates its funding, delivers against its strategic objectives and

major programmes and the responsibilities for performance management and reporting.

- 3.4. The new Greater Manchester Strategy (GMS) 2025/35 which sets out the vision for GM was launched in July 2025.
- 3.5. In terms of risk management, whilst good progress has been made in evolving the maturity of risk management arrangements in place within GMCA, further work is required with the Senior Leadership Team to properly reflect the strategic risk profile of the group and organisational level risks.
- 3.6. Internal Audit work undertaken during the year reported a broadly equal split of reasonable assurance opinions compared to limited and no assurance opinions. All grant certification work undertaken showed a positive assurance opinion. The implementation of audit actions from work carried out also continued to highlight a positive trend in meeting the target of 85%.
- 3.7. The basis for this annual opinion is provided in **Section 4** below, with a summary of other sources of assurance shown at **Section 5**. Details of assurance opinions given for individual reports are shown in **Appendix A**.

Internal Audit work has been carried out in line with the requirements of Public Sector Internal Audit Standards (PSIAS) which applied during 2024/25.

The Internal Audit team has maintained its independence and objectivity throughout the year and there have been no instances identified of non-conformance with PSIAS.

## **4. Basis of the Opinion**

### **4.1. Corporate Governance**

- Through the internal audit work undertaken and reviewing evidence to support the application of the governance framework, for 2024/25 it can be confirmed that the following are in place:

#### **4.1.1. Governance and Scrutiny**

- The Greater Manchester Combined Authority and other statutory committees have met regularly throughout the year, and the meetings are held in public with recordings and papers made available on the GMCA website.
- Registers of key decisions (upcoming and made) for GMCA and the Bee Network Committee are available on the GMCA website.
- A significant amount of work is underway to review the existing governance structures operating across the wider GMCA group to ensure these are streamlined and effective. An externally facilitated Governance process review has recently commenced alongside a wider programme of reviews of Group Corporate services and the development of a strategic delivery function. These are all ongoing areas of organisational development during 2025/26.

#### **4.1.2. Policies and Codes**

- GMCA has within its Constitution a Code of Corporate Governance and Annual Governance Statement which are reviewed annually. A Code of Conduct exists for both Officers and Members which sets out the key expectations around personal behaviour and professional conduct.
- There are generally robust policies and procedures in place for gathering and collating declarations of interest (DOI) from Members which are available on the GMCA website. DOI is a standing agenda item at all Committee and Scrutiny meetings. There are separate DOI processes for Senior Officers within GMCA.

- The GMCA Whistleblowing Policy was last approved in November 2024, and an online whistleblowing reporting form is available to allow the direct reporting of concerns to Internal Audit. The Audit Committee receives an annual report on the outcomes of whistleblowing reports.
- GMCA publishes quarterly information in line with 2.1 of the Local Government Transparency Code.

#### **4.1.3. Objectives and Performance Measurement**

- GMCA has a Corporate Plan 2022/25 supported by Directorate annual business plans which set out the organisational priorities, goals and deliverables up to April 2025. The new Greater Manchester Strategy (GMS) 2025/35, GMCA Corporate plan and annual business plans are due to be launched from July 2025 onwards. The new GMFRS Fire Plan (2025-29) was also published in June 2025.
- Quarterly performance reviews take place by the Senior Leadership Team. These reviews encompass performance against the business plan commitments as well as several corporate health indicators. These meetings took place throughout 2024/25.
- Likewise, the Deputy Mayors Executive (Fire) and GMFRS Performance Board oversee performance reporting for GMFRS.

#### **4.1.4. Integrated Settlement, Trailblazer Devolution**

- During 2024/25, significant work was focused on preparations for the implementation of the Integrated Settlement Trailblazer Devolution at the start of 2025/26. The Deloitte Readiness check conducted on behalf of MHCLG examined several thematic areas in preparation including Strategy; Planning and Governance; People and Capability; Financial and Performance Management; and Reporting and Evaluation. Whilst positive overall, the report provided a series of recommended actions to support implementation of the Integrated Settlement from 2025/26 and beyond.
- Alongside this was the development of the GMCA Single Assurance Framework which aims to provide the mechanism for providing governance and accountability across funding streams and portfolio areas. This is awaiting sign off by MHCLG.
- The Audit Committee have been regularly appraised on progress in these areas.

## **4.2. Risk Management**

- 4.2.1. The Deputy Director, Governance, Audit and Assurance has responsibility for overseeing the risk management framework for GMCA, supported by a part-time Corporate Risk Manager. Whilst the ongoing development and maturity of the risk management framework rests with the Audit, Risk and Assurance team, actual ownership of the risk management activities lie absolutely with management, via the GMCA Senior Leadership Team (SLT), and Directorate functions.
- 4.2.2. The framework enables identification of risk at the Strategic, Organisational, Directorate and Programme level with methods for escalation between the levels as necessary. A quarterly risk management update was provided to the Audit Committee which provides details of risk management activity in the period and details changes in risks. It also provides a view of Strategic and “high scoring” organisational and directorate risks at that time.
- 4.2.3. Greater Manchester Police (GMP), Transport for Greater Manchester (TfGM) and Greater Manchester Fire and Rescue Service (GMFRS) maintain their own risk management arrangements and risk registers are owned by the Chief Constable, Chief Executive of TfGM and Chief Fire Officer respectively. Risks from these registers are escalated to the GMCA risk register where appropriate.
- 4.2.4. The Corporate Risk Manager continues to work with all directorates to update the strategic and organisational risk profile ensuring that risk registers are kept up to date and risks are appropriately escalated.
- 4.2.5. A new GMCA risk management strategy has been developed that will continue to grow the risk management maturity across the organisation. This will include a new ‘introduction to the risk management’ module to be rolled out alongside the strategy.

## **4.3. Internal Control**

- 4.3.1. There is no strong evidence of systemic failures or fundamental weaknesses in the core systems of internal control. Internal Audit reports have highlighted some



high/medium level system and compliance risks and made recommendations for improved control in these areas. A significant no assurance opinion report was published during the year relating to the Leavers process (when an employee exits the organisation) and work has taken place to address these matters. Most other actions generally relate to the development of robust policy and procedural frameworks and the monitoring of compliance against key controls.

- 4.3.2. In comparison to previous years, the proportion of limited and no assurance opinions has risen, being 35% in 2024/25 compared to 15% in 2023/24 and 31% in 2022/23.
- 4.3.3. One area to monitor is ICT/Digital where several limited assurance opinion reports have been issued in the last 18 months. The area of ICT/Digital remains, an area of significance and Audit Committee have been regularly appraised during 2024/25 of report outcomes and progress in addressing high risk actions. These reports have included IT Asset Management and Leavers Process; IT Supplier Management; and follow-up work to support the implementation of outstanding actions on IT Threat and Vulnerability Management and Gartner Critical application review.
- 4.3.4. Cyber security is a major risk for any organisation as the threat levels increase, and a cyber security session was held with the Audit Committee in March 2025. There is regular reporting to various internal Boards on the cyber security approach including incident management and reporting against KPI's. The results of the external penetration test showed an improved position compared to 2023/24 with 0 critical, 2 high and 26 medium severity findings. See **Section 5.4**
- 4.3.5. Work is ongoing within the ICT/Digital team to self-assess against the National Cyber Security Centre (NCSC) Cyber Assessment Framework (CAF) objectives, and these

outcomes will be reported to the Home Office in December 2025. Our risk-based IT Audit programme will be used to provide continued assurance over these areas.

- 4.3.6. Any significant data breaches are reported through the SIDGI panel chaired by the Group CFO, who oversee investigation of these, and lessons learned outcomes.
- 4.3.7. Other work undertaken by Internal Audit included advisory and consultancy work to promote organisational improvement. These reports were generally position statements or lessons learned reviews which did not provide an assurance opinion. Other contributions were made to support key projects during their design and implementation. Internal Audit has also conducted responsive investigation work during the year which has impacted on planned work. The observations from findings from all these are considered when reaching our overall opinion.
- 4.3.8. A significant amount of grant certification work was undertaken by the Internal Audit Service in 2024/25 (£6.433m) and this work provided positive assurance that grant funding is spent in accordance with grant conditions.
- 4.3.9. In addition, the implementation of agreed audit actions has remained positive throughout the year, exceeding the target implementation rate of 85%.

#### 4.4. Internal Audit work performed during 2024/25

- 4.4.1. The Internal Audit Plan for 2024/25 was presented to and approved by the Audit Committee in March 2024 and copies of all reports have been shared with the Committee during the year. A summary of the internal audit reports issued, and opinion rating is shown in the table below with an Executive Summary shown at **Appendix A**.

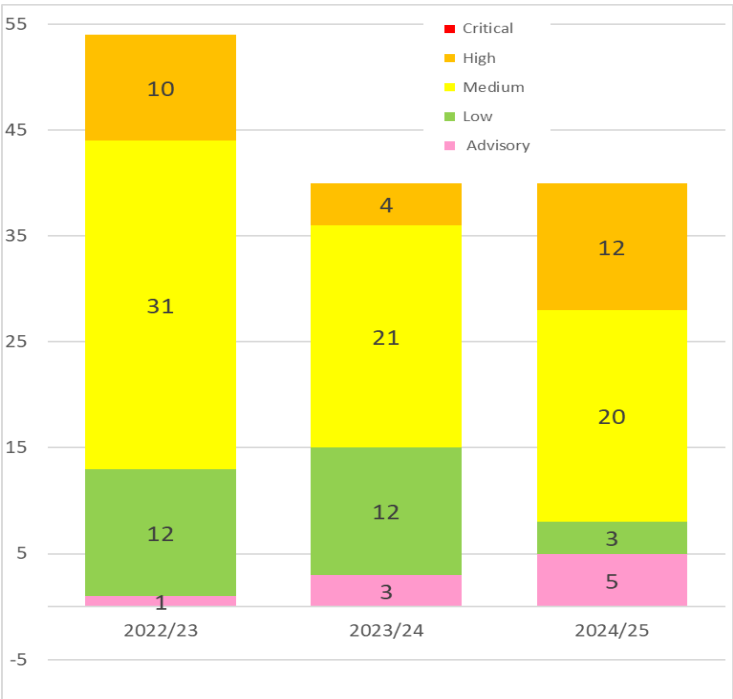
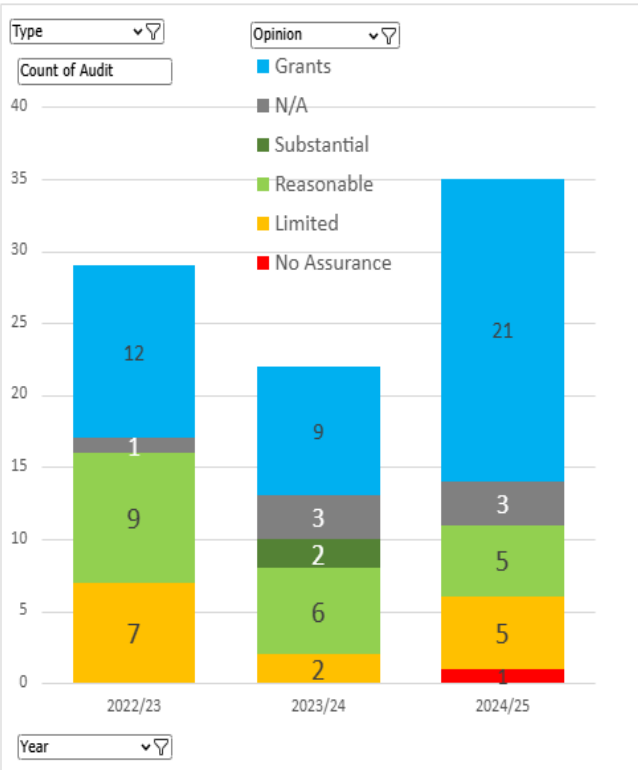
Assurance level	Governance	Risk	Control
<b>Substantial Assurance (0%):</b> Controls are designed effectively, operate consistently with no evidence of systemic control failures and no high or critical risk audit findings reported			
No Substantial Assurance Opinions Issued	✓	✓	✓
<b>Reasonable Assurance (29%):</b> Generally, an appropriate framework for governance, risk management and/or internal control was found to be in place and controls are operating			

but there are areas for improvement in terms of design and/or consistent execution of controls.			
GMCA - Supporting Families Programme	✓	✓	✓
GMFRS - JESIP (Joint Emergency service Interoperability) Principles	✓	✓	✓
GMFRS - Trainee Firefighter Recruitment and Selection		✓	✓
GMFRS – Shift Duty Stations		✓	✓
GMCA - Procurement Waiver Exemption – compliance		✓	✓
<b>Limited Assurance (29%):</b> Significant improvements are required in the governance, risk management and/or control environment.			
GMFRS - NFCC Fire standards	✓	✓	✓
GMFRS - Equality Impact Assessments		✓	✓
GMFRS – Day Crewed Stations (DRAFT)		✓	✓
GMCA - ICT Asset Management (devices)	✓	✓	✓
GMCA - ICT Supplier Management	✓	✓	✓
<b>No Assurance (6%):</b> The framework for governance, risk management or the system of internal control is ineffective or is absent.			
GMCA - Leavers Process - Compliance		✓	✓
<b>Advisory reports / Other (36%):</b> An assurance opinion was not provided due to the nature of the engagement.			
GMCA - Net Zero Achievement – Position Statement			
GMCA - New Public Procurement Act – Readiness Assessment			
GMFRS - Lessons Learned – Personal Protective Equipment			
Responsive Investigations x 2			
GMCA Integrated Settlement / Assurance Framework			

4.5. Analysis of 2024/25 audit findings and audit opinions

4.5.1. The chart to the right shows the number and breakdown of audit opinions issued in each of the last three years

4.5.2. In 2024/25, there were more negative assurance opinions issued than in previous years with 5 limited and 1 No assurance opinion.



4.5.3. The chart to the left shows the number of audit findings and their associated risk rating across the last three years.

4.5.4. There has been a higher proportion of high-risk actions in 2024/25 than in previous years.

## 4.6. Grant certification work

4.6.1. Internal audit completed 21 grant certifications during 2024/25 for total funding of £6.433m, with positive assurance provided. These mainly relate to Section 31 capital grants issued for specific funding purposes by the government. A significant amount of time and effort is required to certify that funding has been spent in accordance with the individual grant conditions. Under the new Integrated Settlement funding and accountability arrangements, there is more flexibility over how funding is spent, and this should lead to less individual grants requiring certification. This remains an area for further clarification under the new arrangements.

4.6.2. A summary of all grant certification work undertaken in 2024/25 is provided below:

Grant	Amount Certified	Assurance Level
GFA: Strategic Project Development (Schools Solar Toolkit)	£50k	Positive
GFA: Project Development (Schools Solar Engagement)	£20k	Positive
Net Zero Green Retrofit Finance	£39.5k	Positive
Net Zero Junior Officer (Y1 Q4)	£7.2k	Positive
Net Zero Programme Delivery (Y1 Q4)	£36.8k	Positive
Local Energy Advice Demonstrators (LEAD) – Y1 Q4	£666.2k	Positive
Growth Hub Core Funding	£420k	Positive
Local Energy Advice Demonstrators (LEAD) – Y2 Q1	£234k	Positive
Net Zero Junior Officer (Y2 Q1)	£7k	Positive
Net Zero Programme Delivery (Y2 Q1)	£35k	Positive

Made Smarter 2023/24	£2k	Positive
NW Net Zero Hub Project	£99k	Positive
Net Zero Junior Officer (Y2 Q2)	£7k	Positive
Net Zero Programme Delivery (Y2 Q2)	£72k	Positive
Local Transport Capital Block Funding (Pothole Fund) Specific Grant Determination (2023/24) Section 31/6680	£4.438m	Positive
Local Energy Advice Demonstrators (LEAD) – Y2 Q3	£249k	Positive
Net Zero Junior Officer (Y2 Q3)	£8k	Positive
Net Zero Programme Delivery (Y2 Q3)	£84k	Positive
Net Zero Programme Delivery (Y2 Q4)	£48k	Positive
Net Zero Junior Officer (Y2 Q4)	£8k	Positive
5G Innovation Regions Programme Grant	£136.2k	Neutral
<b>Total Value of Funding</b>	<b>£6.433m</b>	

#### 4.7. Implementation of Audit Actions

- 4.7.1. Under the professional standards, there is a requirement for Internal Audit to confirm that management have implemented agreed audit actions.
- 4.7.2. The Senior Leadership Teams have responsibility for ensuring the timely implementation of all audit actions and assessing the impact on risk. Internal Audit validate, monitor and report on the implementation status of these and produce regular reports to Senior Leadership Team and Audit Committee.
- 4.7.3. At the end of March 2025, the implementation rate was above the target rate of 85%. This showed a positive trend throughout the year with few open and overdue actions.

Internal Audit will continue to work with management to support continued improvement.

#### **4.8. Whistleblowing Outcomes**

- 4.8.1. In 2024/25 there were three whistleblowing reports of alleged fraud, irregularity or wrongdoing received either directly or indirectly by Internal Audit. Given the nature of the concerns these cases were handled by the relevant service themselves.
- 4.8.2. Internal Audit were involved in investigating two potential areas of fraud, theft or irregularity. One case is closed with the other subject to disciplinary investigation.
- 4.8.3. Internal Audit were notified of one fraud involving falsified learner records from a training provider and several other attempted supplier payment frauds.
- 4.8.4. The volume and nature of the reports received do not point to systemic or widespread fraud, corruption or wrongdoing.
- 4.8.5. The National Fraud Initiative 2024/25 data matching exercise examined data sets relating to payroll and pensioners. There was only one case which involved a deceased pensioner which the service hadn't been notified of, and which resulted in overpayment of pension.
- 4.8.6. Internal Audit does have responsibility for counter fraud policies but does not have a dedicated counter fraud resource which supports the Internal Audit function.

#### **4.9. Internal Audit Effectiveness and Compliance with Professional Audit Standards**

- 4.9.1. The Head of Internal Audit must confirm annually that the internal Audit Service conforms with the Global Internal Audit Standards (GIAS) UK-Public Sector (Previously the Public Sector Internal Audit Standards – PSIAS for 2024/25).
- 4.9.2. The assessment for 2024/25 concluded that the internal audit Function is effective and has operated in compliance with professional standards, with no significant areas of non-conformance noted.

#### **5. Other Sources of Assurance**

##### **5.1. Deloitte Readiness Check**

- 5.1.1. The Deloitte Readiness check which graded GMCA across four thematic readiness criteria: Strategy, Planning and Governance; People and Capability; Financial and Performance Management: Reporting and Evaluation. The report issued in February 2025 provided their findings and overall readiness assessment and gave a series of recommended prioritised actions for year 1 of the Integrated Settlement.

##### **5.2. Contract Management Framework**

- 5.2.1. The GMCA contract management framework was published in June 2024 with the aim of driving a consistent approach to contract management within the organisation. It sets out the key principles and minimum expected standards for the management of contracts and access to a series of tools and templates used to manage Gold/Silver and Bronze tiered contracts. The Contract and Commercial Specialist provides some 'second line' assurance over gold tier contracts.



### 5.3. GMFRS - HMICFRS Inspection

5.3.1. The most recent GMFRS inspection took place in Autumn 2023 publishing their report on 8th March 2024. The inspection assessed how well GMFRS has performed in 11 areas. GMFRS was awarded “Good” judgements in 10 of the 11 areas:

- Understanding fire and risk
  - Preventing fire and risk
  - Public safety through fire regulation
  - Best use of resources
  - Promoting values and culture
  - Right people, right skills
  - Promoting fairness and diversity
  - Managing performance and developing leaders
- It was rated “Adequate” in Responding to major incidents.

5.3.2. This demonstrated the significant improvements the Service has made. Two ‘Areas for Improvement’ were identified by the inspectors, one of which has been addressed and closed. Activities to address these areas are being delivered alongside the improvement programme. Additionally, HMICFRS recognised four areas of Positive Practice and two areas of Innovative Practice. The [full report](#) can be found on the HMICFRS website.

5.3.3. The next inspection is due to take place by the end of 2025/26 with a range of activities ongoing and will continue in the lead up to the inspection.

5.3.4. GMFRS also produced its annual performance summary report 2024/25.

#### **5.4. ICT - External Penetration Testing**

- 5.4.1. The annual pen test (2024) reported a total of 0 critical, 2 high and 26 medium severity findings. This compared favourably with the previous year (2023) which reported 1 critical, 12 high and 39 medium findings.
- 5.4.2. The penetration test partner commented "It was a pleasure working with the team during the recent engagement and thank you for all the support during the testing window. Overall, with the vulnerabilities we identified, it's evident that a lot of work goes into securing systems and the wider network. The patch status of the servers and workstations was among the best we see, with no operating system-related patches missing, and only minor out-of-date versions of software present. This shows that a robust patching schedule is being adhered to, which ensures the security posture of the network remains strong. Across the configuration reviews we included in this assessment there are some minor improvements that could be made to ensure best practices are adhered to, however these are deemed low severity. No issues were identified on the external infrastructure, showing that any issues identified during previous test have been actioned, greatly reducing the external attack surface.
- 5.4.3. January 2025 saw a test of GMCA's backups where a subset of the estate was identified, and a recoverability test was performed. 100% of the backups were recoverable for the third year running.
- 5.4.4. In March 2025 GMCA worked with a Home Office appointed supplier on a National Cyber Security Centre based 'tabletop exercise (TTX)' that looked at our preparedness to deal with a number of cyber based scenarios. The outcome report recorded "The cyber exercises covered ransomware by email, third-party supplier software compromise and a nationwide heightened cyber threat due to geopolitical tensions. There is a good level of control across asset management, business continuity management and email protection. They also have good communications with other agencies across the north-west region. It is also evident that they

appreciate areas where improvements can be made and have plans to address most of these.

- 5.4.5. GMCA's Cyber Security Programme continues to make incremental improvements to the cyber security posture. Progress and supporting KPIs are reported to Digital Services Strategy Group (chaired by MD and attended by SIRO), Information and Data Governance Board (chaired by SIRO and attended by DPO), GMFRS Digital Services Governance Board (chaired by Head of Corporate Support and attended by Heads of Service within GMFRS). Via these three governance boards we're able to promote a consistent cyber security approach, supported by relevant metrics to the most senior leaders in GMCA.
- 5.4.6. A gap analysis of GMCA's capability in alignment with National Cyber Security Centre's Cyber Assessment Framework (CAF) is currently taking place with 100+ pieces of evidence already collected. GMCA are working with an NCSC approved supplier to ensure that the efforts of the internal Cyber team remain focussed on identifying and reducing risk.
- 5.4.7. GMCA's email cyber hygiene remains at 100%, rated 'epic'. Only 150 of the 468 organisations tested have achieved this standard. GMCA are the only Combined Authority to achieve this of the nine that were tested.
- 5.4.8. GMFRS's email cyber hygiene also remains at 100%, rated 'epic'. Only 14 of the 53 organisations tested have achieved this standard.

## Appendix A: Summary of Assurance Opinions Issued in 2024/25.

Audit Reports				Assurance Opinion		
2024/25						
Joint Emergency Service Interoperability Principles (JESIP)				Reasonable		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	3	-	-	1	4
We provided a <b>Reasonable Assurance Opinion</b> on GMFRS understanding over JESIP key principles and levels of embeddedness across the service. On station discussions with fire crews showed that a good level of awareness existed and how this applied to their role. Whilst JESIP is fundamentally seen as applying to ‘blue light’ emergency response services, there was recognition that the principles of joint working do extend beyond this. The principal action is to conduct a broader assessment with multi-agency GM partners (Local Authority / Transport etc.) to assess JESIP thinking across GM structures and opportunities for further learning at this level.						
Supporting Families Programme - Compliance				Reasonable		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	1	-	-	-	1
This report provided a <b>Reasonable Assurance opinion</b> , that adequate systems and controls are in place and operating across GM authorities to support the delivery of the Supporting Families programme (SFP). Nine out of ten reports received from Local Authority Audit teams demonstrated a good level of compliance with the headline criteria set out in the GM SFP standards and key elements of the programme. One Local Authority provided a limited assurance opinion, and further assurances were sought by GMCA in relation to the findings from that report.						
Trainee Firefighter Attraction, Recruitment and Selection				Reasonable		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	-	2	1	1	4
This report provided a <b>Reasonable Assurance opinion</b> over the process and controls in place for the attraction, recruitment, and selection of trainee firefighters and management of the different phases of recruitment.						

Our Audit found the recruitment team were positive in their engagement of potential candidates from a wide and diverse range of backgrounds to ensure GMFRS had the best possible pool of candidates available.

Despite a lengthy process (up to 2 years) between a candidate's expression of interest and recruit course start dates, timelines for each element of the process are kept as tight as possible and candidates supported throughout to reduce the risk of candidate drop out. The large candidate numbers and the effectiveness of the Applicant Tracking System to manage the high volume of expressions of interest and candidate applications was an area of concern.

Internal audit made four recommendations for improved control which were agreed by Management.

GMFRS: Shift Duty Stations (SDS)				Reasonable		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	-	1	2	-	3

This report provided a **Reasonable Assurance opinion** over the controls in place to manage crewing efficiency at SDS stations, including the procedures used by the Emergency Response Hub for the crewing and mobilisation of firefighters. Identified areas for improvement related to devising a documented procedural framework to support operational practices, and ongoing system development work for the use of the Gartan Roster system used for the management, monitoring and reporting on crewing practices.

Procurement Waiver Exemptions – Compliance				Broadly Compliant		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	-	-	-	2	2

This audit examined compliance with the procurement waiver exemption process, which showed general compliance against key controls and criteria for processing. There was some inconsistency over the sign off and approval of waiver exemptions which was the primary area for improvement alongside the adoption of written procedural guidance (waiver code of practice) to promote understanding of waiver usage.

GMFRS - Equality Impact Assessments (EIA)				Limited		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	2	3	-	2	7

We provided a **Limited Assurance opinion** over the arrangements in place within GMFRS for conducting Equality Impact Assessments (EIA) and the overall level of compliance with the process. A good approach has been taken to develop the EIA framework within GMFRS with several areas of good practice identified, but the process required further maturity and embedding. We made seven recommendations for improved control, with an overarching action to review the corporate approach to conducting EIA assessments across both GMFRS and GMCA which had less mature arrangements in place.

ICT/Digital Asset Management				Limited		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	2	3	-	-	5

This report provided a **limited assurance opinion** over the effectiveness of IT asset management controls for end user devices and the asset management lifecycle (laptops, iPads, mobiles etc. rather than ICT infrastructure). The report showed an improved position to the work undertaken previously on the Leavers process. There were examples of good practice found in relation to the storage of IT assets, but several improvements were identified in the development of the IT asset management policy framework and staff guidance; and the security and disposal of devices. There was significant work underway by ICT/Digital team to address the immediate concerns and progress against the remediation plan is being overseen by Internal Audit.

ICT/Digital Supplier Management				Limited		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	1	3	-	-	4

This report provided a **limited assurance opinion** over the processes and controls for cyber security and GDPR arrangements for new and existing contracts with third party providers. The report provided four recommended overarching actions including one high risk area which related to the identification and prioritisation of critical data assets and ensuring our contract management framework and due diligence arrangements are appropriate. A remediation plan is in place to address the actions.

GMFRS: NFCC Fire Standards				Limited		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	1	2	-	-	3

We provided a **Limited Assurance Opinion** over the approach being taken for the successful implementation of NFCC Fire Standards and the evidencing of compliance.

Ownership and responsibility for coordinating rests with the Service Excellence Team and regular progress update reports are provided to Performance Board.

There is no documented framework which sets out the strategic commitment to achieving the professional standards and the formal mechanisms for doing this. Largely viewed as an additional responsibility rather than as a tool used to strengthen organisational assurance and best practice.

Key areas for improvement related to the following:

- Developing a robust policy and procedural framework for implementation, monitoring and reporting on conformance. Currently, there is a loss of emphasis around use of the standards as a mechanism used to contribute to providing organisational assurance (Second line of defence in the three lines of defence model)
- The Gap Analysis Tool used to record attainment of the standards required review and update to ensure it reflects service needs and provides a consistent and standardised approach.
- Quality assurance processes required strengthening.

Leavers Compliance				No Assurance		
Actions	Critical	High	Medium	Low	Advisory	Total
	-	4	1	-	1	6

This report provided a **no assurance opinion** based on compliance testing with the offboarding process when an employee leaves the organisation, including leaver notifications; return of ICT devices and equipment; deactivation of security passes and access to business systems. Our testing showed inconsistencies over the application of key controls and concerns over the adequacy of the existing control framework.

We made four high-risk recommendations which were agreed by both the Director of People Services and Chief Information Officer and an immediate response to address concerns was being put in place.

Day Crewed Stations (DRAFT)				Limited		
Actions	Critical	High	Medium	Low	Advisory	Total

Net Zero Carbon Achievement	Position Statement
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This report assessed the arrangements in place for meeting the GM Region's 2038 carbon neutrality target and provided our summary observations on the progress made against some

<p>of the headline targets and commitments set out in the GM regional 5 Year Environmental Plan (5YEP) 2019-24.</p> <p>Since the report was issued, a new 5YEP 2025-30 was published in December 2024 which sets out the policy aims and commitments over the next phase.</p>	
<b>IT Follow Up Reports</b>	<b>Progress Update</b>
<p>These reports provided an update on progress against previously agreed management actions for four reports: IT Threat and Vulnerability management, Gartner Critical Application Audit, IT Supplier Management, and Leaver Process Compliance.</p>	
<b>GMFRS PPE</b>	<b>Lessons Learned Report</b>
<p>The lessons learned review provided our key observations and conclusions from a review of the apprentice firefighter recruitment process and provision of personal protective equipment.</p>	
<b>Responsive Caseload</b>	<b>Investigation Reports</b>
<p>Internal Audit has completed initial fact-finding work in response to 2/2 cases of potential fraud, irregularity, and wrongdoing.</p>	



## Appendix A – Annual Opinion Types

The table below sets out the four types of annual opinion that the Head of Internal Audit considers, along with an indication of the characteristics for each type of opinion. The Head of Internal Audit will apply judgement when determining the appropriate opinion so the guide given below is indicative rather than definitive.

Opinion	Description	Indicators
Substantial	There is a sound system of governance, risk management and internal control in place. Internal controls are designed to achieve objectives and the controls tested during the course of internal audit work were being consistently applied.	<ul style="list-style-type: none"><li>• Through internal audit work undertaken and/or other sources of assurance the arrangements for governance and risk management were deemed to be robust and consistently applied.</li><li>• No individual assignment reports were rated as “No Assurance”</li><li>• No critical or high risk rated findings were identified</li><li>• A limited number of medium and low risk rated findings were identified within the audit work undertaken and were isolated to specific instances.</li><li>• Management demonstrate good progress in the implementation of previous audit actions</li></ul>
Reasonable	There is an established system of governance, risk management and internal control in place that is generally operating effectively. Some areas for	<ul style="list-style-type: none"><li>• The number of internal audit reports rated as “Limited Assurance” does not outweigh those with “Reasonable”, “Substantial” Assurance</li><li>• Assurance over systems of control that are pervasive across the organisation (for</li></ul>

	<p>improvement were identified.</p> <p>Internal Controls are generally operating effectively. Audit testing found some areas for improvement although not indicative of systemic failure in the control environment.</p>	<p>example corporate functions) was generally positive (ie reasonable or substantial assurance opinions).</p> <ul style="list-style-type: none"> <li>• Frameworks for governance and risk management are in place and generally operating effectively</li> <li>• No critical risk rated findings were identified in the audit work undertaken</li> <li>• Any high risk rated findings were isolated to specific activities and were implemented in line with agreed timescales</li> <li>• Medium risk rated findings do not indicate a systemic or pervasive weakness in governance, risk management or internal control</li> <li>• Management demonstrate reasonable progress in the implementation of previous audit actions.</li> </ul>
Limited	<p>a) <u>Limited by volume</u></p> <p>Internal Audit undertook a limited number of audits. The work undertaken combined with other sources of assurance considered the arrangements for governance, risk management and control</p>	<ul style="list-style-type: none"> <li>• No individual assignment reports were rated as “No Assurance”</li> <li>• No critical risk findings were identified</li> <li>• Work undertaken covered a range of the key risks within the organisation</li> <li>• Any major or significant risk rated findings were isolated to specific activities and were implemented in line with agreed timescales</li> </ul>

	over a number of key corporate risks.	
	<p>b) <u>Limited by results</u></p> <p>There are gaps in the arrangements for governance and risk management and/or those arrangements have not been applied consistently and robustly through the year and/or</p> <p>The level of non-compliance with internal controls puts the systems objectives at risk.</p>	<ul style="list-style-type: none"> <li>• There are significant gaps in the arrangements for governance and/or risk management or the arrangements had not been effectively executed during the year.</li> <li>• The number of internal audit reports rated as “Limited” or “No Assurance” outweighs those rated as “Reasonable” or “Substantial”.</li> <li>• Critical and High risk findings were identified in the audit work undertaken</li> <li>• Internal Audit findings indicated that improvements were needed to the design and/or operating effectiveness of the wider frameworks of governance and/or risk management</li> <li>• No more than two critical risk findings were identified and they were in relation to specific activities as opposed to indicating systemic failures and were rectified quickly.</li> <li>• Management do not demonstrate good performance in implementing audit actions.</li> </ul>
No Assurance	The arrangements for governance, risk management and internal	<ul style="list-style-type: none"> <li>• Audit reports are generally rated as “Limited” or “No” assurance.</li> </ul>

	<p>control is generally weak, leaving the system open to significant error or abuse and/or</p> <p>Significant non-compliance with basic controls leaves the system open to error or abuse.</p>	<ul style="list-style-type: none"> <li>• Findings rated Critical and High outweigh those rated as Medium or Low.</li> <li>• Audit findings indicate systemic non-adherence to control procedures, indicating a poor control environment.</li> <li>• Frameworks for governance and risk management are not in place</li> <li>• Audit actions are consistently not implemented in line with agreed timescales.</li> </ul>
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## Appendix B

Below are the definitions of the assurance opinions used by Internal Audit. These opinion ratings have been defined for the GMCA Internal Audit and are consistent with the recommended definitions for engagement opinions published by CIPFA in April 2020.

	DESCRIPTION	DESCRIPTION
	<b>SUBSTANTIAL ASSURANCE</b>	A sound system of internal control was found to be in place. Controls are designed effectively, and our testing found that they operate consistently. A small number of minor audit findings were noted where opportunities for improvement exist. There was no evidence of systemic control failures and no high or critical risk findings noted.
	<b>REASONABLE ASSURANCE</b>	A small number of medium or low risk findings were identified. This indicates that generally controls are in place and are operating but there are areas for improvement in terms of design and/or consistent execution of controls.
	<b>LIMITED ASSURANCE</b>	Significant improvements are required in the control environment. A number of medium and/or high-risk exceptions were noted during the audit that need to be addressed. There is a direct risk that organisational objectives will not be achieved.
	<b>NO ASSURANCE</b>	The system of internal control is ineffective or is absent. This is as a result of poor design, absence of controls or systemic circumvention of controls. The criticality of individual findings or the cumulative impact of a number of findings noted during the audit indicate an immediate risk that organisational objectives will not be met and/or an immediate risk to the organisation's ability to adhere to relevant laws and regulations.