

GMCA Audit Committee

Date: 23 July 2025

Subject: Internal Audit Progress Report

Report of: Damian Jarvis, Head of Internal Audit GMCA

PURPOSE OF REPORT

The purpose of this report is to inform Members of the Audit Committee of the progress made on the delivery of the Internal Audit Plan for 2025/26 and the implementation of agreed audit actions. It is also used as a mechanism to seek approval of changes to the internal audit plan.

RECOMMENDATIONS:

Audit Committee is requested to:

- Consider and comment on the Internal Audit progress report and implementation of agreed audit actions.
- Approve any changes to the Audit Plan (Appendix C)

CONTACT OFFICERS:

Damian Jarvis, Head of Internal Audit, GMCA

Damian.jarvis@greatermanchester-ca.gov.uk

Sarah Horseman, Deputy Director of Governance, Audit and Assurance, GMCA

sarah.horseman@greatermanchester-ca.gov.uk

Equalities Impact, Carbon, and Sustainability Assessment:

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:

BACKGROUND PAPERS: N/A

TRACKING/PROCESS	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?	No
EXEMPTION FROM CALL IN	
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?	No
TfGMC	Overview & Scrutiny Committee
N/A	N/A

1 Introduction

- 1.1 The GMCA Internal Audit plan 2025/26 was approved by the Audit Committee at the March 2025 meeting. There are separate audit plans approved by Transport for Greater Manchester (TfGM) and Greater Manchester Police (GMP) / Police and Crime Functions with reporting to their respective Audit, Risk and Assurance Committee (ARAC) and Joint Audit Panel (Police and Crime).
- 1.2 The purpose of this progress report is to provide Members with an update of progress against the GMCA plan, and a summary of work completed to date.

2 Progress against the Internal Audit Plan 2025/26.

- 2.1 Since the last meeting on 19 March 2025, we have finalised and published four reports from the completion of the 2024/25 audit plan with a further report at the draft reporting stage awaiting approval by Management. The Executive Summaries from these reports are shared with the Audit Committee.

Audit Report	Assurance Opinion
2024/25 – Completion Reports	
GMFRS: NFCC Fire Standards	Limited
<p>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 this activity rests with the GMFRS Service Excellence Team and regular progress update reports are provided to Performance Board.</p> <p>There is no documented framework which sets out the strategic commitment to achieving the professional standards and the formal mechanisms for doing this. It was largely viewed as an additional responsibility rather than as a tool used to strengthen organisational assurance and best practice.</p> <p>Key areas for improvement related to the following:</p>	

<ul style="list-style-type: none"> • Developing a robust policy and procedural framework for implementation, monitoring and reporting on conformance. Currently, there is a loss of emphasis on the 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. 	
GMFRS Shift Duty Stations	Reasonable
<p>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.</p>	
Firefighter Recruitment and PPE Provision	No Opinion
<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>	
Procurement Act Readiness	No Opinion
<p>This report provided an assessment of organisational readiness for the implementation of the new Procurement Act 2023 which came into effect in February 2025. The assessment focused on the work of the Commercial team and showed the overall approach aligned with the requirements of the Act and no significant issues were identified. Good progress has been made to ensure a smooth transition to operating with the new regime.</p>	

2.2 Work from the 2025/26 plan has commenced with four audits underway and four grant certifications issued. A summary of the status of ongoing audit work at the start of quarter 2 is as follows:

Planning Stage	
Land and Property – Estates: Planned and Responsive Maintenance	Assurance over the arrangements in place for planned and reactive maintenance – including the scheduling and completion of repairs, backlogs and urgent safety repairs.
Fieldwork Stage	
Adult Skills Fund Provider Performance Management	Assurance over the effectiveness of the control framework for ongoing contract monitoring and performance management of the adult education providers.
Finance Core Systems	The purpose is to provide assurance over the adequacy of core financial systems with testing focused on the Accounts Payable and the Purchase to Pay processes.
Promotion Pathway (Grey Book)	Grey Book Recruitment (Promotions Pathway) – an audit of the Promotions Pathway and recruitment to Crew, Watch, Station, Area and Group Manager roles.
Reporting Stage	
Brownfield Housing Fund Grant Certification	To provide the final written certification of BHF grant to DLUHC for the full five-year period to confirm that funding has been spent in accordance with grant conditions.
Net Zero Junior Officer Grant Certification	To provide assurance that the quarterly grant claim has been completed in line with the grant conditions.
Net Zero Programme Delivery Grant Certification	To provide assurance that the quarterly grant claim has been completed in line with the grant conditions.

2.3 **Grant Certifications** – We have certified 4 grants in the period.

Grant	Value Signed Off	Assurance Level	Date Completed
Local Energy Advice Demonstrators (LEAD) – Y2 Q4	£271k	Positive	April 2025
5G Innovation	£1.8m	Positive	May 2025
Growth Hub Grant (2024/25)	£420k	Positive	June 2025
SHDF 2023/24	£12.2m	Positive	June 2025

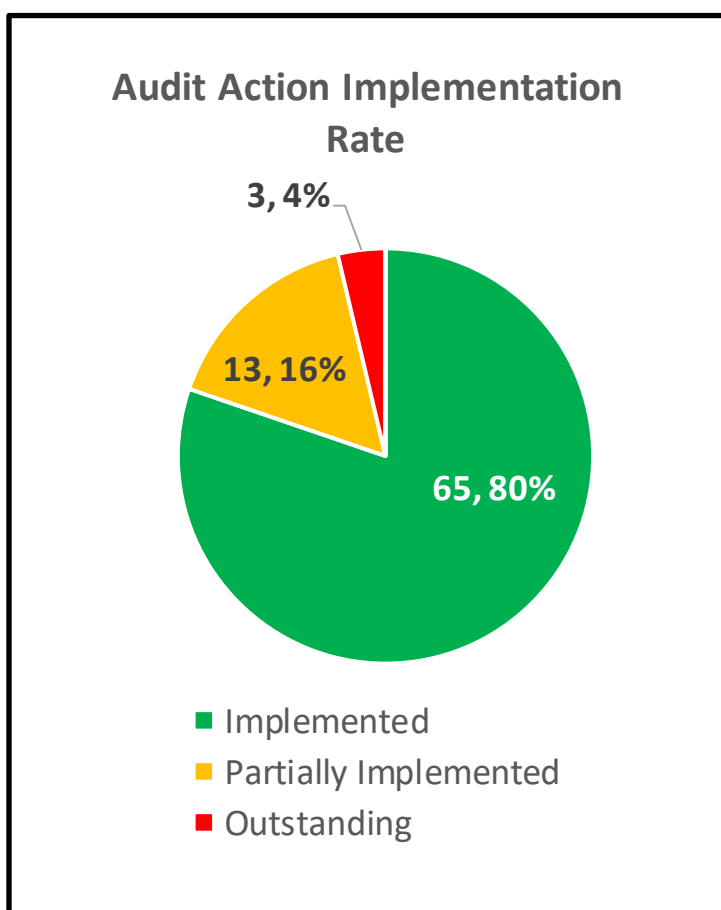
3 Audit Action Tracking

3.1 The implementation rate of audit actions has fallen below the target rate of 85%. As at (Q1) June 2025, 80% of Internal Audit actions due in the last 2 years have been implemented. The overall position for implementation remains positive with several actions still showing as outstanding as we await evidence from management to allow us to validate their status.

3.2 As reported previously, we are tracking several high-risk actions relating to ICT audit reports published during 2024/25. These are being managed separately

through individual remediation plans with ownership assigned to several stakeholders including ICT/Digital, People Services, Commercial Services, and Information Governance teams.

3.3 Audit Committee received a separate progress update report from the Chief Information Officer in January 2025 on the Leavers process and IT Asset management.



Further work has been undertaken to strengthen the offboarding process, including the introduction of a Leavers protocol and intranet page to support line managers and staff.

- 3.4 A breakdown of the progress made in the implementation of agreed actions is shown at **Appendix B**.

4 Other Internal Audit Activities

- 4.1 **Governance Review:** An externally facilitated review of Governance processes has commenced, and Internal Audit are contributing to that review. The target completion date for the review is September 2025.
- 4.2 **Global Internal Audit Standards (GIAS) UK-Public Sector:** The new internal audit standards came into force in April 2025, and we are working towards evidencing full implementation of these by March 2026.
- 4.3 **Counter Fraud and Whistleblowing:** Internal Audit continues to hold regular caseload discussions with People Services to advise/monitor on the outcome of any new whistleblowing cases. Since the last Audit Committee in March 2025, we have received no new cases. A summary on the outcome of all whistleblowing cases will be presented to Audit Committee at a future meeting as a Part B item.
- 4.4 **Training** - Financial management training for budget holders is being delivered in conjunction with colleagues from Finance, Commercial and Internal Audit. This provides an overview of financial management principles, with input from Internal Audit and the Commercial team on the role of Internal Audit and general procurement practices.

5 Changes to the Internal Audit Plan

- 5.1 In line with the Internal Audit Charter, any significant changes to the approved Internal Audit Plan must be agreed by the Audit Committee. There are no proposed changes to the plan since it was approved in March 2025. One potential new area for audit support is apprenticeship funding and initial discussions are due to take place on this to understand the scope of work.
- 5.2 Approved changes are recorded at **Appendix C**.

6 Team Resourcing

- 6.1 The team is resourced to 2.8FTE and we are currently seeking to recruit two additional roles in the structure for a Principal Auditor and Internal Auditor (closing date 13 July 2025). These are aimed at providing additional capacity given the increasing breadth and complexity of GMCA activities. As in previous years, we utilise external support for our technical ICT/Digital assurance work.
- 6.2 We will also be looking at some short-term agency/contractor support to overcome some immediate resource challenges.

Appendix A - Summary of Internal Audit Reports issued 2025/26

The table below provides a summary of the internal audit work completed during the year. This will inform the annual Internal Audit opinion for the year 2025/26.

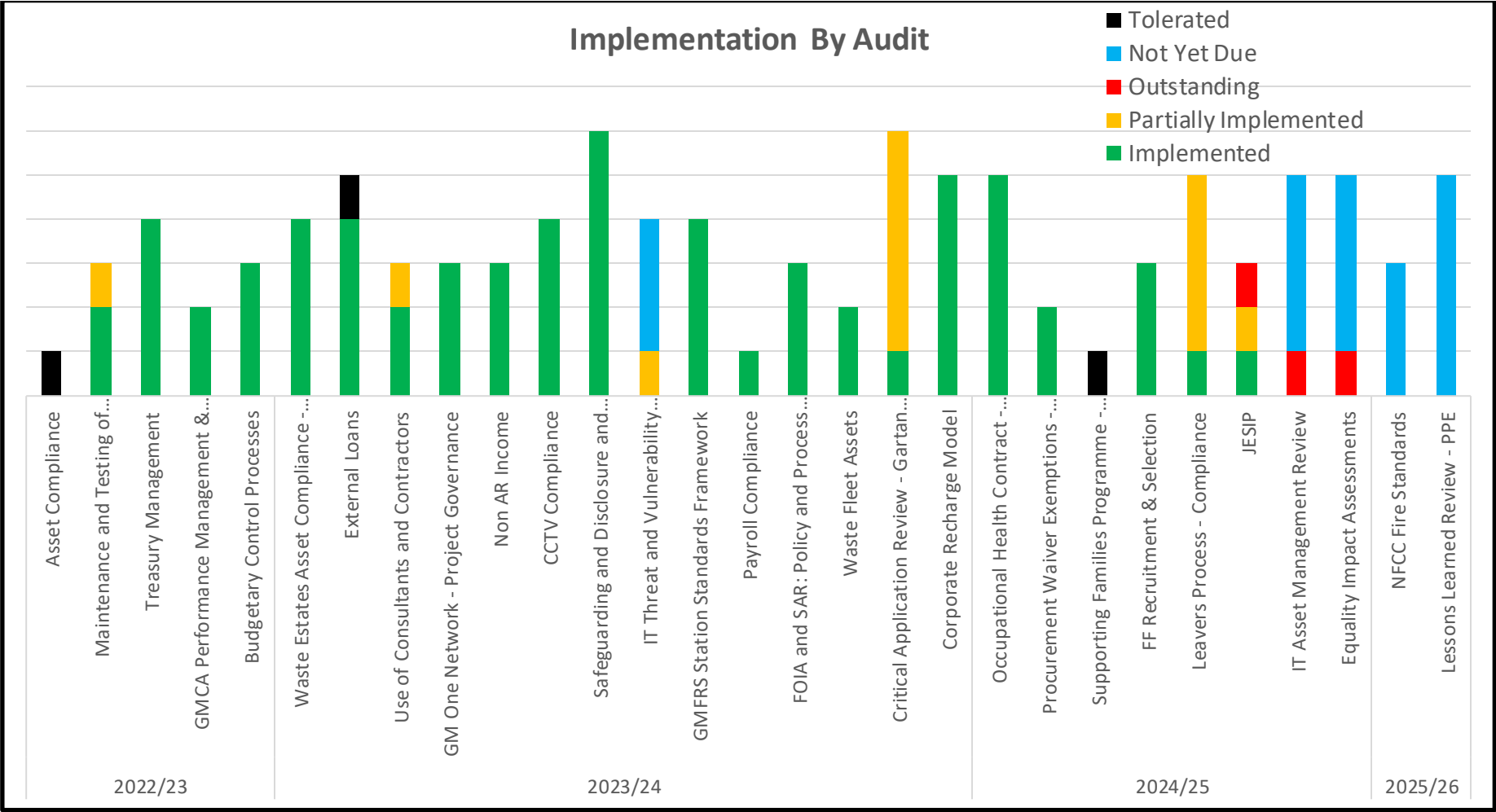
Audit	Assurance Level	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Promotion Pathway (Grey Book)	Fieldwork Commenced							✓	
Adult Skills Fund	Fieldwork Commenced						✓		
Brownfield Housing Fund	Fieldwork Commenced						✓		
Finance Core Systems	Fieldwork Commenced						✓	✓	✓
Land and Property – Estates: Planned and Responsive	Planning						✓	✓	✓

Audit	Assurance Level	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Maintenance / BAU activity									

Grant Certifications					
Local Energy Advice Demonstrators (LEAD) – Y2 Q4	£271k	Positive	✓		
Growth Hub Grant (2024/25)	£420k	Positive	✓		
SHDF 2023/24	£12.2m	Positive	✓		
5G Innovations	£1.8m	Positive	✓		

Appendix B: Audit Action Follow Up

Analysis of Audit Actions – by Audit: The chart below shows the status of implementation of audit actions by audit title.



Status of Overdue Actions Quarter 1 2025/26

The table below shows a list of outstanding actions being tracked.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
Dec 2023	Use of Consultants and Contractors	Limited	Improve oversight and reporting on the use of contractors.	Medium	Head of Commercial Services	Partially Outstanding	New accounting codes have been created to allow for easier reporting of actual spend. Links are now being established between this and the new consultant approval process to ensure that all relevant transactions are captured. Anticipated Completion Date: October 2025
Mar 2024	Maintenance and Testing of Operational Equipment	Limited	All fleet and equipment will be uniquely identifiable and recorded on a digital cloud-based system. This will include identifying all equipment for inclusion and the roll out of software to stations.	High	Head of Fleet and Logistics	Partially Implemented	The implementation of the Papertrail system is being managed as a GMFRS Priority Improvement Project. Initial delays related to the need for DPIA and specific hardware for the staff at Leigh Tech which have now been addressed. A trial rollout at Leigh Station is scheduled within the next four weeks with a rollout plan for other stations to be agreed. In the interim, a 'read only version of the system will be released to all stations within the next three months to allow inventory checks to station records to be completed. Anticipated Completion Date: October 2025
March 2025	Critical Application Review – Gartan	Limited	Service Continuity - Backup, resilience,	High	Training and Crewing Delivery	Partially Implemented 3 Actions	Internal Audit are awaiting evidence of completion to allow us to validate the implementation status.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
	Roster Assignment		recovery, and contingency limitations.		manager / ICT Delivery Manager	1 Closed 2 Partial	
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	User Access Controls - Host environment, infrastructure, and Technical controls limitations.	Medium	Training and Crewing Delivery manager	Partially Implemented 1 Action 1 Partial	The outstanding action requires input from the software supplier. This has been agreed, and the service are awaiting confirmation from the supplier to complete. Anticipated Completion Date: TBC
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	Administrator Access - Roles and responsibilities, including user management and training limitations.	Medium	Training and Crewing Delivery Manager / ICT Delivery Manager	Partially Implemented 2 Actions 2 Partial	Internal Audit are awaiting evidence of completion to allow us to validate the implementation status.
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	Logging and monitoring limitations.	Medium	Training and Crewing Delivery manager / ICT Delivery Manager	Partially Implemented 2 Actions 2 Partial	A request has been made with the supplier to determine how this action can be completed. Anticipated Completion Date: TBC
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	System Governance - Information governance, assurance reporting, risk management and	Low	Training and Crewing Delivery manager / ICT Delivery Manager	Partially Implemented 5 Actions 5 Partial	Internal Audit are awaiting evidence of completion to allow us to validate the implementation status.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
			legal compliance limitations.				
April 2025	JESIP	Reasonable	To undertake a broader assessment with multi-agency partners against the JESIP maturity matrix. To develop an action plan to further embed JESIP working across the wider GM structures	Medium	GMFRS Head of Resilience and Planning	Partially Implemented	GMRF have reviewed the JESIP maturity matrix and developed the approach to multi agency responses to major incidents as a result. Internal Audit are seeking to validate the implementation of this action.
June 2025	JESIP	Reasonable	Opportunities to improve joint organisational working between GMFRS, GMP and NWAS	Medium	GMFRS Head of Resilience and Planning	Outstanding	Other organisations have been contacted to develop the areas suggested, however, due to the complexity of engaging multiple organisations with new approaches this is still at a development phase. Anticipated Completion Date: March 2026
June 2025	Equality Impact Assessments	Limited	Review the EIA approach being taken and the opportunity for a single corporate policy and procedural framework operating across both GMCA/GMFRS	High	Director of People Services	Outstanding	The Externally commissioned Governance process review is now considering the corporate approach for EIA's. This work is due to run until end of September 2025. GMFRS have updated their own EIA policy. Anticipated Completion Date: September 2025

The table below shows a list of ICT/Digital actions being tracked.

Audit Title	Overall Audit Opinion	Risk / Action (Summary)	Risk Rating	Remediation Plan Actions	Internal Audit Implementation Status	Audit Committee Update
IT Threat and Vulnerability Management	Limited	Threat intelligence, malware detection / prevention limitations.	High	12 actions	6 Closed 6 Partial	This report provided four overarching actions with 40 individual actions being tracked. 16/40 are complete.
		Patching, hardening and authentication strategy limitations.	High	12 actions	4 Closed 8 partial	
		Incident handling and reporting and training and awareness limitations.	Medium	11 actions	2 Closed 9 Partial	
		Risk assessment(s), reporting and monitoring limitations.	Medium	5 actions	3 Closed 1 partial 1 Superseded	
IT Supplier Management	Limited	Understanding the risk – risk assessment and assurance limitations.	High	9 actions	9 Partial	This report provided four overarching actions with 25 individual actions being tracked. 0/25 are complete.
		Establish and maintain control – Contract management limitations.	Medium	6 actions	6 Partial	
		Checking arrangements are in place - due diligence limitations.	Medium	3 actions	3 Partial	
		Continuous improvement - reporting and monitoring limitations.	Medium	7 actions	7 Partial	
	No Assurance	Publish IT equipment policy and develop more	High	17 actions	4 Closed 13 Partial	

Audit Title	Overall Audit Opinion	Risk / Action (Summary)	Risk Rating	Remediation Plan Actions	Internal Audit Implementation Status	Audit Committee Update
Leavers Process Compliance		automation around the movers/leavers process for safe return of IT assets				<p>This report provided four overarching actions with 28 individual actions being tracked.</p> <p>11/28 are complete.</p> <p>Automation of the leavers process has undergone extensive development and testing and is in the final stages. It is expected to go live week commencing 10th March.</p>
		Implement overarching IT equipment policy and further automate leavers process to promptly revoke access to company systems.	High	3 actions	2 Closed 1 Partial	
		Investigate and implement a mechanism to alert ICT Service Desk if a leaver is processed in iTrent retrospectively.	High	4 actions	3 Closed 1 Partial	
		People Services will develop and publish an overarching Leavers Protocol.	High	4 actions	2 Closed 2 Partial	
IT Asset Management	Limited	Incident management for dormant, duplicate, or missing assets.	High	7 actions	March 2025	<p>This report provided five overarching actions with 29 individual actions being tracked.</p> <p>Follow up work Q1.</p>
		Appropriateness and completeness of data recorded, such as location, ownership, status etc.	High	3 actions	April 2025	
		Disposal of IT assets.	Medium	5 actions	December 2025	
		IT asset management framework - Changes to IT assets including upgrades / end of life support.	Medium	9 actions	December 2025	

Audit Title	Overall Audit Opinion	Risk / Action (Summary)	Risk Rating	Remediation Plan Actions	Internal Audit Implementation Status	Audit Committee Update
		Policies, procedures and reporting and governance controls.	Medium	5 actions	December 2025	

Appendix C - Changes to the Internal Audit Plan

The internal audit plan is designed to be flexible and can be adjusted to reflect changes in the risk landscape, assurance needs or available capacity and resources. In line with Internal Audit Standards, the Audit Committee should approve any significant changes to the plan.

This Section records any changes to the current internal audit plan since it was originally approved in March 2025.

Audit Area	Audit	Change requested	Rationale	Approved by Audit Committee
	There are no proposed changes to the Audit Plan			

The following tables show definitions for the Assurance Levels provided to each audit report and the ratings attached to individual audit actions.

Assurance levels		
Opinion	Scoring Range	DESCRIPTION
SUBSTANTIAL ASSURANCE	1-6	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.
REASONABLE ASSURANCE	7-19	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.
LIMITED ASSURANCE	20-39	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.
NO ASSURANCE	40+	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.

Audit Finding Classification		
Risk Rating	Description/characteristics	Score
Critical	<ul style="list-style-type: none"> • Repeated breach of laws or regulations • Significant risk to the achievement of organisational objectives / outcomes for GM residents • Potential for catastrophic impact on the organisation either financially, reputationally, or operationally • Fundamental controls over key risks are not in place, are designed ineffectively or are routinely circumvented. • Critical gaps in/disregard to governance arrangements over activities 	40
High	<ul style="list-style-type: none"> • One or more breaches of laws or regulation • The achievement of organisational objectives is directly challenged, potentially risking the delivery of outcomes to GM residents. • Potential for significant impact on the organisation either financially, reputationally, or operationally • Key controls are not designed effectively, or testing indicates a systemic issue in application across the organisation. • Governance arrangements are ineffective or are not adhered to. • Policies and procedures are not in place 	10
Medium	<ul style="list-style-type: none"> • Minor risk that laws or regulations could be breached but the audit did not identify any instances of breaches. • Indirect impact on the achievement of organisational objectives / outcomes for GM residents • Potential for minor impact on the organisation either financially, reputationally, or operationally • Key controls are designed to meet objectives but could be improved or the audit identified inconsistent application of controls across the organisation. • Policies and procedures are outdated and are not regularly reviewed 	5
Low	<ul style="list-style-type: none"> • Isolated exception relating to the full and complete operation of controls (e.g., timeliness, evidence of operation, retention of documentation) • Little or no impact on the achievement of strategic objectives / outcomes for GM residents • Expected good practice is not adhered to (e.g., regular, documented review of policy/documentation) 	1
Advisory	Finding does not impact the organisation's ability to achieve its objective but represent areas for improvements in process or efficiency.	0