

GMCA Audit Committee

Date: 22 September 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:

- To note the Internal Audit progress report and to consider finalised reports and the implementation status of agreed audit actions.
- Approve any changes to the Audit Plan (Appendix C)

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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 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 23 July, we have issued one report in draft from the 2025/26 plan for GMFRS Promotions Pathway and certified three grants including the final certification of the Brownfield Housing Fund Grant. We are also seeking to finalise a draft report relating to Day Crewed Stations which was issued in May 2025.
- 2.2 The Executive Summaries of all final reports published are shared with the Audit Committee for consideration.
- 2.3 Reviews have commenced on Adult Skills Fund and Finance Core Systems, and we aim to complete these in October. We have completed a review of the suite of anti-fraud policies which require periodic review and update. There are no major changes to the existing policies or procedures, and these are shared with the Committee for consideration.
- 2.4 Progress against the 2025/26 plan is behind what we would expect at this point in the year (end of quarter 2), but we remain confident that the plan remains broadly deliverable as we move toward a fully resourced structure. We are agreeing with management the scope and timing of upcoming work for the remainder of the year.
- 2.5 Our priority starts for quarter 3 include:
 - Declaration of Interest and Gifts and Hospitality (Officer and Members)
 - Overtime Usage
 - GMFRS Apprenticeship funding
 - Estates Responsive Maintenance

- ICT/Digital – MIAA Follow up work and Advisory days
- ICT/Digital – Asset Management (infrastructure)

2.6 A summary of the status of ongoing audit work against the plan is shown at **Appendix A**.

2.7 **Grant Certifications** – We have certified three grants in the period, and these are shown at **Appendix B**.

3 Audit Action Tracking

3.1 The implementation rate of audit actions has fallen below the target rate of 85%. As of August 2025, 83% of Internal Audit actions due in the last 2 years have been implemented. The overall position for implementation remains positive with some actions still showing outstanding as we await evidence from management to allow us to validate their status.

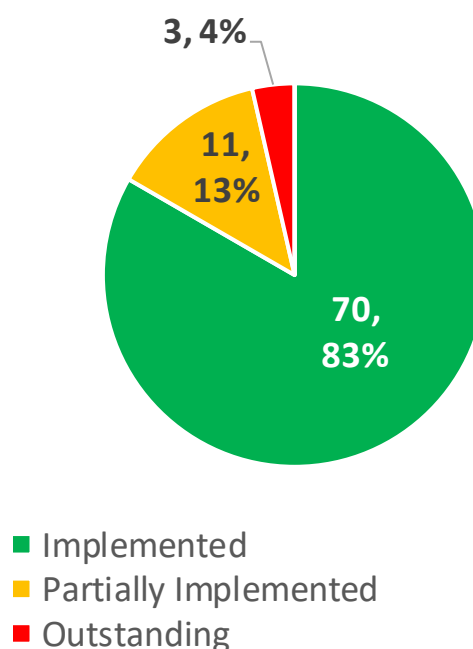
3.2 As reported previously, we are tracking several high-risk actions relating to ICT audit reports published during 2024/25. These are being managed separately through individual remediation plans with

ownership assigned to several stakeholders including ICT/Digital, People Services, Commercial Services, and Information Governance teams.

3.3 A formal follow-up of each of these areas was last conducted by MIAA in March 2025 with a further review scheduled during quarter 3 which will provide the latest assessment of progress against the agreed actions.

3.4 We are pleased to report that 3/5 actions relating to the Equality Impact Assessment have been completed ahead of their due date, with one in progress. One overdue action remains, which is linked to developing the corporate approach across GMCA and GMFRS and is to be picked up as part of the ongoing Governance review.

Audit Action Implementation Rate



- 3.5 We have sought updates from action owners relating to the Garton Critical application audit; maintenance and testing of operational equipment, and JESIP Readiness.
- 3.6 The latest status update for the implementation of agreed actions is shown at **Appendix D**.

4 Other Internal Audit Activities

- 4.1 **Other Assurance Providers:** We continue to seek assurances from other assurance providers where this is available. The HMICFRS inspection of GMFRS commenced with onsite visits in September 2025 and is ongoing.
- 4.2 **Governance Review:** An externally facilitated review of Governance processes remains ongoing and Internal Audit are contributing to that review. Work is progressing with several products being developed as well as consideration of changes to existing governance structures to ensure alignment with the Greater Manchester Strategy and support integrated settlement and delivery.
- 4.3 **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.
- 4.4 **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 July 2025, Internal Audit has received no new cases.
- 4.5 **Financial Management training for budget holders** – This periodic training is delivered in conjunction with colleagues from Finance, Commercial and Internal Audit.

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 significant proposed changes to the plan since it was approved in March 2025. Specific audits relating to Integrated Settlement and the assurance framework remain under review whilst we understand the outcome of the latest Governance review and associated outputs. In

addition, we have discussed with the Deputy Chief Fire Officer the prioritisation of GMFRS planned work.

- 5.2 The audit for the Victim Support Services Contract is now being completed as part of the audit plan for Police and Crime.
- 5.3 One potential new area for audit support is apprenticeship funding and initial discussions have taken place to understand the scope of this work.
- 5.4 We will keep the plan under review and assess the resource position once new staff are in post.
- 5.5 Approved changes are recorded at **Appendix C**.

6 Team Resourcing

- 6.1 Since the last meeting, we have sought to recruit two additional roles in the structure for a Principal Auditor and Internal Auditor. We held interviews for these roles during July and August, and I am pleased to report that job offers were made to two candidates and we have commenced the onboarding process. We are hopefully that both will be able to start by early October. These appointments are critical in providing additional capacity for the team, increasing the structure to 4.8FTE.
- 6.2 As in previous years, we utilise external support for our technical ICT/Digital assurance work.

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 against the Plan. This work will inform the annual Internal Audit opinion for the year 2025/26.

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Adult Skills Fund – Provider Perf Mgt	Fieldwork Commenced Q1 (delayed)						✓		
Brownfield Housing Fund Grant Certification	Positive	Final written certification to DLUHC for the BHF grant allocation. This grant allocation totals £135.4m over a five-year spending profile from 2020-2025. This certification of the final two years of the grant (year 4-5) confirmed that funding had been spent in accordance with grant conditions					✓		
Finance Core Systems	Fieldwork Commenced August 2025						✓	✓	✓
Grant Certifications	Fieldwork Q1-Q4						✓		

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Members Dol and G&H Process - compliance	Fieldwork – commencing October 2025						✓		
Officers Dol and G&H Process - compliance	Fieldwork Commencing – October 2025						✓	✓	✓
Overtime Usage (Officer)	Planning Q3						✓	✓	✓
Recruitment – Non-Operational Staff (Green Book)	Planning Q4						✓		
ICT/Digital - Follow Up work	Fieldwork Commencing September 2025						✓		
ICT/Digital – IT Asset Management (infrastructure)	Planning Q3/Q4						✓	✓	✓
ICT/Digital – National Cyber Assessment Framework (CAF) Gap analysis	Planning Q4						✓	✓	✓

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Counter Fraud Policy Review	Draft Policies – September 2025	WB, AB and AML draft policies reviewed.					✓	✓	✓
Victim Services Contract	Removed	This work will be delivered by the Police and Crime Audit Team							
Assurance Framework									
Programme Monitoring and Evaluation	Under Review	These areas are being covered by the Governance Review as they seek to establish governance structures to support delivery and the Integrated settlement					✓		
Integrated Settlement and Assurance Framework	Under Review						✓		
Risk Management – Deep Dives	Under Review						✓		
GMFRS Specific Audits									
Promotion Pathway (Grey Book)	Draft Report Issued – September 2025							✓	

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
North West Fire Control (NWFC)	Planning Q3							✓	
GMFRS – Estates: 3 x audits i) Responsive Maintenance / BAU activity ii) Strategic Transformation Programme – Station New Build iii) Station Refresh	Planning – Q3 Responsive Maintenance/BAU							✓	
Sickness Absence – Compliance	Planning Q4							✓	
Corporate Planning / PMO	Planning Q4							✓	
Capability, Discipline, Grievance and Bullying	Planning Q4							✓	

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Policy – Role of Professional Standards									
NEW – Apprenticeship Funding	Planning Q3							✓	
Development Work									
GIAS-UK Public Sector	Fieldwork								
Integrated Assurance (Assurance Mapping and Reporting)	Under Review								

Appendix B – A summary of grant certifications completed for 2025/26

Grant Certifications			
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
Brownfield Housing Fund Grant (final)	£34.9m	Positive	July 2025
Net Zero Junior Officer Y1 Q4	£7.5k	Positive	July 2025
Net Zero Programme Delivery Y1 Q4	£31.5k	Positive	July 2025
SHDF 2024/25	£20.4m	Due Q3	
Made Smarter Grant	£2m	Due Q3	

Appendix C - Changes to the Internal Audit Plan

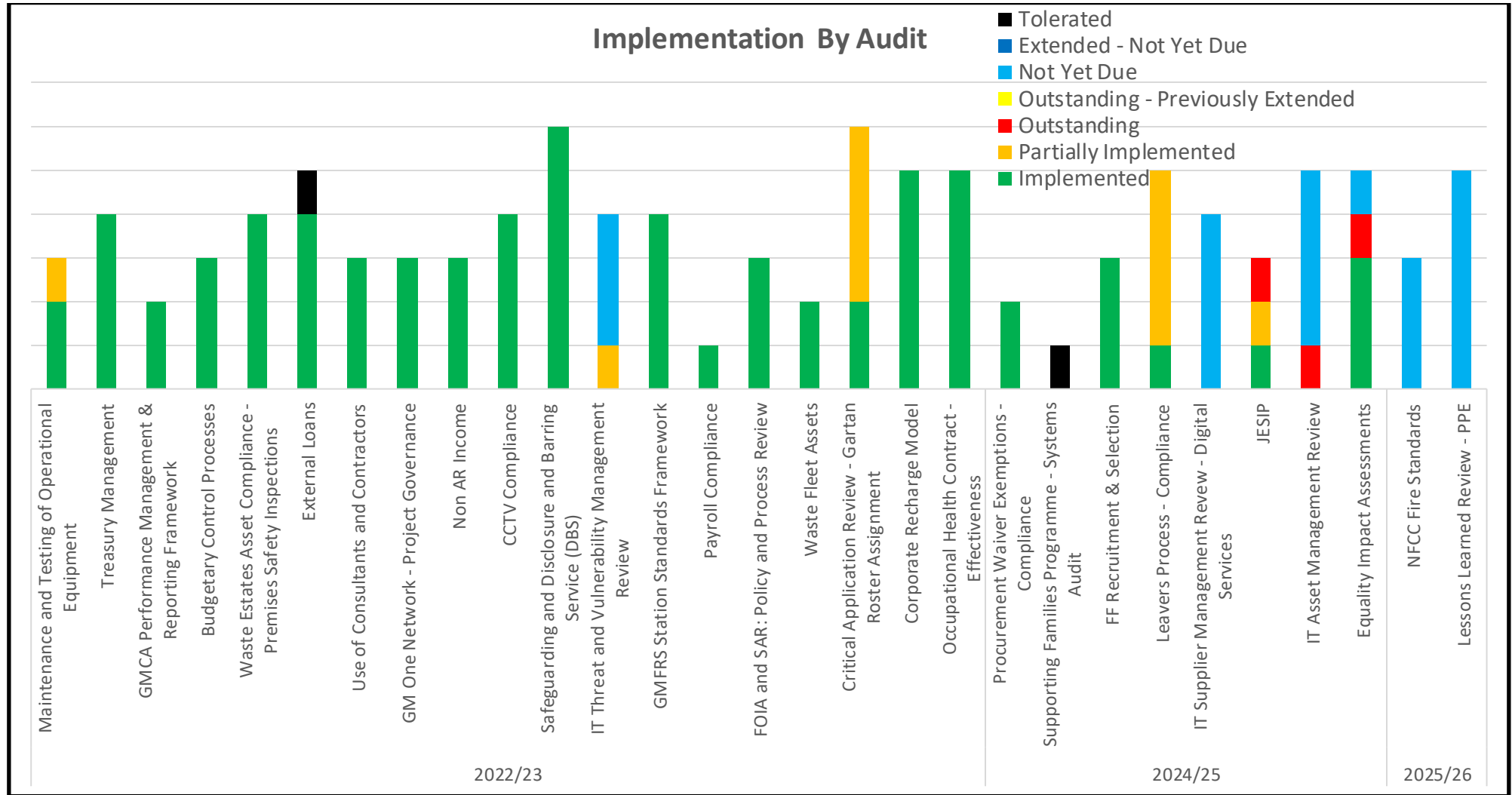
The internal audit plan is designed to be flexible and can be adjusted to reflect changes in the risk landscape, assurance needs or available capacity and resources. In line with Internal Audit Standards, the Audit Committee should approve any significant changes to the plan.

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
Safer and Stronger Communities	Victim Services Contract	September 2025	This audit has been included in the Police and Crime Audit Plan.	

Appendix D: 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 2 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
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	<p>Initial trial of the Papertrail system at one station has now completed and identified some technical issues which have since been addressed by the supplier and digital team, a second trial is due to start imminently at two locations (original location and a much larger second site) to ensure that the issues were resolved and lessons learned from the original trial have been incorporated into the roll out plan, following successful completion of this second trial a full roll out plan will be put in place to bring all stations onboard.</p> <p>Read only access to all stations ahead of the main rollout has been delayed slightly due to the technical issues raised in the initial trial, however, this should be rolled out to all stations over the next three months.</p> <p>Anticipated Completion Date: December 2025</p>
March 2025	Critical Application Review – Gartan	Limited	Service Continuity - Backup, resilience, recovery, and	High	Training and Crewing Delivery manager /	Partially Implemented 3 Actions 1 Closed	Internal Audit are awaiting evidence of completion to allow us to validate the implementation status of the remaining actions.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
	Roster Assignment		contingency limitations.		ICT Delivery Manager	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 is currently being completed in the test environment and once confirmed successful will be transferred to live environment. Anticipated Completion Date: September 2025
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	The supplier has now confirmed how this action can be completed, and we are awaiting a timeline for the supplier to action. Anticipated Completion Date: TBC
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	System Governance - Information governance, assurance reporting, risk management and legal compliance limitations.	Low	Training and Crewing Delivery manager / ICT Delivery Manager	Partially Implemented 5 Actions 3 Closed 2 Partial	Internal Audit are awaiting evidence of completion to allow us to validate the implementation status of remaining actions.
April 2025	JESIP	Reasonable	To undertake a broader assessment with multi-agency partners against	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.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
			the JESIP maturity matrix. To develop an action plan to further embed JESIP working across the wider GM structures				Anticipated Completion Date: TBC
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 EIAs. This work is due to run until end of September 2025. GMFRS have updated their own EIA policy. Anticipated Completion Date: September 2025

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 on the organisation's ability to achieve its objective but represent areas for improvements in process or efficiency.	0