GMCA GREATER MANCHESTER COMBINED AUTHORITY

GMCA Audit Committee

Date: 24 November 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)

CONTACT OFFICERS:

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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:

Papers previously presented to Audit Committee

- Internal Audit Plan 2025/26
- Internal Audit Progress Update Reports and Action tracker
- GMCA Corporate Risk Register

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 22 September, we have issued two final reports from the 2025/26 plan, with three reports at the draft reporting stage. The Executive Summaries of all final reports published are shared with the Audit Committee for consideration **Appendix F**. A summary of the status of all ongoing audit work against the plan is shown at **Appendix A.**

2.2 Grant Certifications – We have certified three grants in the period, with work ongoing on several others. A summary of all ongoing grant work is shown at **Appendix B**.

2.3 There are several reviews which are at fieldwork stage as we seek to complete these by the end of quarter 3. Progress against the 2025/26 plan is still behind what we would expect at this point in the year (mid-point quarter 3), 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.

2.4 Ongoing work and our agreed priority starts for quarter 3 included:

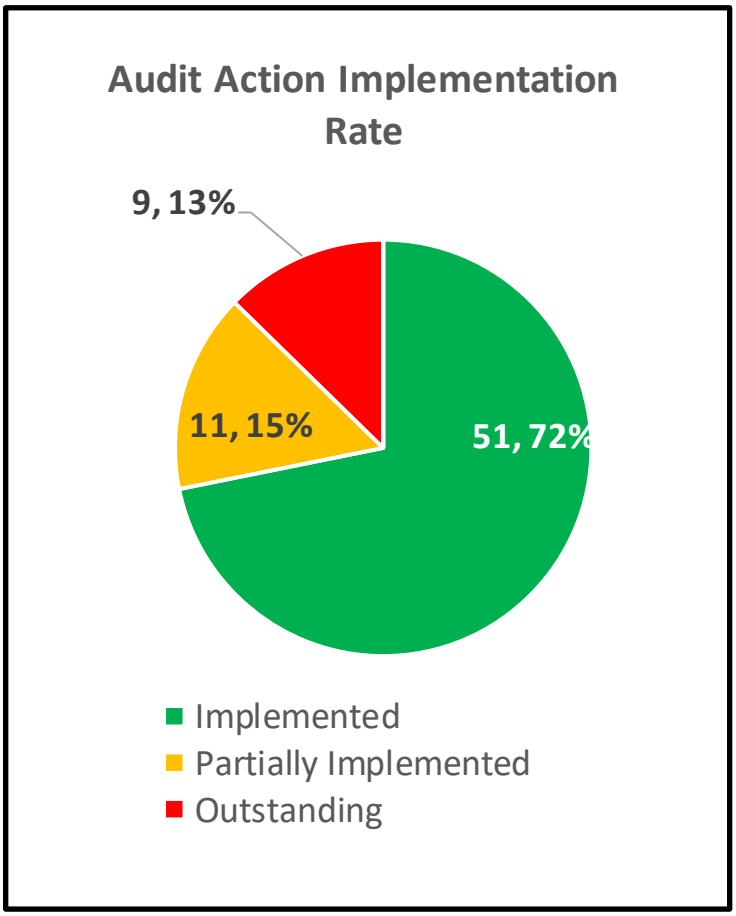
- ASF Provider Monitoring - Final Report
- ICT/Digital – MIAA Follow up work and Advisory days – Final Report
- GMFRS Promotions Pathway – Draft report
- GMFRS Day Crewed Stations - Draft report
- Declaration of Interest and Gifts and Hospitality (Officer) – Draft report
- Declaration of Interest and Gifts and Hospitality (Member) – Fieldwork

- Finance AP Process - Fieldwork
- Estates Planned and Responsive Maintenance – Fieldwork
- Responsive – Fact finding exercise – Fieldwork
- Cyber Security BCP Exercise – Planning
- Overtime Usage - Planning
- GMFRS Apprenticeship funding - Planning
- ICT/Digital – Asset Management (infrastructure) - Planning

Audit Report					**Assurance Level**	
GMCA: Adult Skills Fund – Provider Monitoring					**Substantial**	
Agreed Actions	**Critical** -	**High** -	**Medium** -	**Low** 1	**Advisory** 1	**Total** 2
This report provided a **Substantial Assurance Opinion** over the controls in place for the ongoing performance management and compliance monitoring of the adult education providers. The systems and processes in place are operating as intended and this provides assurance that the Adult Skills Fund (ASF) is being managed effectively and in compliance with the performance and funding requirements. No significant control weaknesses or non-compliance issues were identified during the review.						
Audit Report					**Assurance Level**	
GMFRS: Promotions Pathway (DRAFT)					**Reasonable**	
Agreed Actions	**Critical** -	**High** -	**Medium** 2	**Low** -	**Advisory** 1	**Total** 3
We provided a **Reasonable Assurance Opinion** over the controls in place for the Promotions Pathway framework and the recruitment and appointment process. There is a robust policy framework (Jan 2024) which outlines key stages of the process, and this is aligned to GMFRS strategic workforce priorities for talent management, diversity, and inclusion. There were records maintained to evidence how candidates progress through the key stages, and guidance available to support candidates through the process.						

The report made two recommendations relating to the development of an action plan to consider new ways to increase diversity in the programme and the periodic update and review of the framework to reflect changes in approach.

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 were implemented. From October 2025, the implementation rate has dropped to 72%. This is due to previously implemented actions [16] dropping out of the two-year monitoring cycle and the number of new actions [9] falling due in the period. The overall position for implementation remains positive. We are seeking evidence from action owners to validate the status of recent actions falling due.

3.2 A follow up on the status of high-risk actions relating to four previously published ICT audit reports was completed. The outcome of this review is reported separately. Good progress has been made against actions on the Threat and Vulnerability Management and Gartan Critical Application reviews with further work required to address risks in relation to IT Asset Management (devices) and IT Supplier Management. The report evidences several areas of good practice, with further improvement dependent on available resources and capacity within the team alongside the management of other priorities and related areas of work. Further assurance work is planned in January 2026 to assess existing arrangements against the National Cyber Security Centre (NCSC)

Cyber Assessment Framework (CAF) and CAF improvement plan. Business continuity testing will also provide evidence to support CAF resilience.

3.3 The latest status update for the implementation of agreed actions is shown at **Appendix D.**

4 Other Internal Audit Activities

4.1 **Regular Meetings**: Internal Audit attend several scheduled meetings including the Deputy Mayor's Executive (Fire), GMFRS Performance Board, Business Continuity Steering Group, and GMCA SIDGI Panel.

4.2 **Other Sources of Assurance:** We continue to seek assurances from other assurance providers where this is available.

- **HMICFRS Inspection of GMFRS:** On site activity concluded in October and we await the outcome of the inspection which should be published in early 2026.
- **GMCA Governance Review:** An externally facilitated review of Governance processes remains ongoing. Work is continuing to agree the formal governance structures, processes and products which align to the Greater Manchester Strategy (GMS) and support the integrated settlement and GMS delivery plan. Work is also ongoing to finalise the single assurance framework with Government. A draft GMS delivery plan was shared with GMCA Board in October which outlines how delivery will be monitored. The aim is to have this in place by April 2026 **Appendix E**.
- **Cyber Assessment Framework**: The recent gap assessment and developing roadmap.

4.3 **Cyber Security Business Continuity Exercise**: Internal Audit are facilitating a BC event to scenario test our incident management response to a cyber-attack. This will be conducted in conjunction with colleagues from GM Resilience Team and MIAA, with wide stakeholder representation from across the organisation.

4.4 **IDG Project**: Participation in pilot project on sensitivity labelling for documents.

4.5 **Anti-Fraud and Whistleblowing:** Internal Audit continues to hold regular caseload discussions with People Services to advise/monitor on caseload and new referrals. Other work includes:

- Anti-fraud Policies - updated in September and being rolled out.
- Fraud risk assessment exercise – development stage.
- Responsive investigation work – This is reactive caseload work.

4.6 **Financial Management training for budget holders** – This periodic training is delivered in conjunction with colleagues from Finance, Commercial and Internal Audit.

4.7 **Global Internal Audit Standards (GIAS) UK-Public Sector:** Ongoing development work following the introduction of the new internal audit standards in April 2025 and aim to evidence of full implementation of these by March 2026.

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/mapping remain under review whilst we understand the outcome of the Governance review and associated outputs.

5.2 One new area relates to a Business Continuity exercise to test our resilience to a cyber-attack. This aims to provide assurance over our incident management response plans.

5.3 We will keep the plan under review and assess the resource position once new staff are in post.

5.4 Approved changes are recorded at **Appendix C.**

6 Team Resourcing

6.1 There have been some resource and capacity challenges during the first half of the year. Since the last meeting, I am pleased to report that the two additional roles in the structure for a Principal Auditor and Internal Auditor have both been filled, with two new members of staff who joined in October and November 2025.

6.2 We do, however, have a vacancy at Principal Auditor level from October following the resignation of a member of staff in the team. This post has been advertised with a closing date of 23 November 2025. These appointments are critical in providing additional capacity for the team, increasing the structure to 5 FTE.

6.3 As in previous years, we utilise external support for our technical ICT/Digital assurance work.

GMCA GREATER MANCHESTER COMBINED AUTHORITY

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
Responsive Work: AFF Recruitment and Selection	Completed July 2025	This work was to validate pre-employment checks conducted during AFF recruitment.						✓	
Adult Skills Fund – Provider Perf Mgt	Substantial October 2025	-	-	-	1	1	✓		
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					✓		

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Finance Core Systems	Fieldwork Commenced August 2025	-	-	-	-	-	✓	✓	✓
Grant Certifications	Fieldwork Q1-Q4	-	-	-	-	-	✓		
Members DoI and G&H Process - compliance	Fieldwork – commenced October 2025	-	-	-	-	-	✓		
Officers DoI and G&H Process - compliance	Fieldwork - Commenced October 2025	-	-	-	-	-	✓	✓	✓
Overtime Usage (Officer)	Planning Q3	-	-	-	-	-	✓	✓	✓
Recruitment – Non-Operational Staff (Green Book)	Planning Q4	-	-	-	-	-	✓		
NEW – Business Continuity Event – Cyber Security Preparedness	Planned for December 2025	This is not an assurance piece but will test our preparedness to a cyber-attack and any lessons learned.					✓	✓	✓

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
ICT/Digital - Follow Up work	Completed October 2025	Follow Up Review to assess implementation status of audit actions					✓		
ICT/Digital – IT Asset Management (infrastructure)	Fieldwork Commencing December 2025	-	-	-	-	-	✓	✓	✓
ICT/Digital – National Cyber Assessment Framework (CAF) Gap analysis	Fieldwork – commencing January 2026	-	-	-	-	-	✓	✓	✓
Counter Fraud Policy Review	Completed 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					✓		

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Integrated Settlement and Assurance Framework	Under Review	-	-	-	-	-	✓		
Risk Management – Deep Dives	Under Review	-	-	-	-	-	✓		
GMFRS Specific Audits									
Promotion Pathway (Grey Book)	Reasonable October 2025	-	-	2	-	1		✓	
North West Fire Control (NWFC)	Planning Q4	-	-	-	-	-		✓	
GMFRS – Estates: 3 x audits i) Responsive Maintenance / BAU activity ii) Strategic Transformation	Fieldwork - Commencing November 2025 (Responsive Maintenance/BAU)	-	-	-	-	-		✓	

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Programme – Station New Build iii) Station Refresh									
Sickness Absence – Compliance	Planning Q4	-	-	-	-	-		✓	
Corporate Planning / PMO	Planning Q4	-	-	-	-	-		✓	
Capability, Discipline, Grievance and Bullying Policy – Role of Professional Standards	Planning Q4	-	-	-	-	-		✓	
NEW – Apprenticeship Funding	Planning Q3	-	-	-	-	-		✓	
Development Work									
GIAS-UK Public Sector	Fieldwork	On Going development work against the professional standards							

Audit	Assurance Level / Status	Audit Findings					Coverage		
		Critical	High	Medium	Low	Advisory	GMCA	GMFRS	GM Waste
Integrated Assurance (Assurance Mapping and Reporting)	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					✓		
Total:									

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 Y3 Q1 (to 30/6)	£7.5k	Positive	July 2025
Net Zero Programme Delivery Y3 Q1(to 30/6)	£31.5k	Positive	July 2025

Net Zero Junior Officer Y3 Q2 (to 30/9)	£8k	Positive	October 2025
Net Zero Programme Delivery Y3 Q2 (to 30/9)	£16.6k	Positive	October 2025
Made Smarter Grant	£2m	Positive	November 2025
Network North 2024/25	£4.4m	Due Q3	
SHDF 2024/25	£20.4m	Due Q3	
Transforming Cities Fund 1	£TBC	Due Q3	

Appendix C - Changes to the Internal Audit Plan

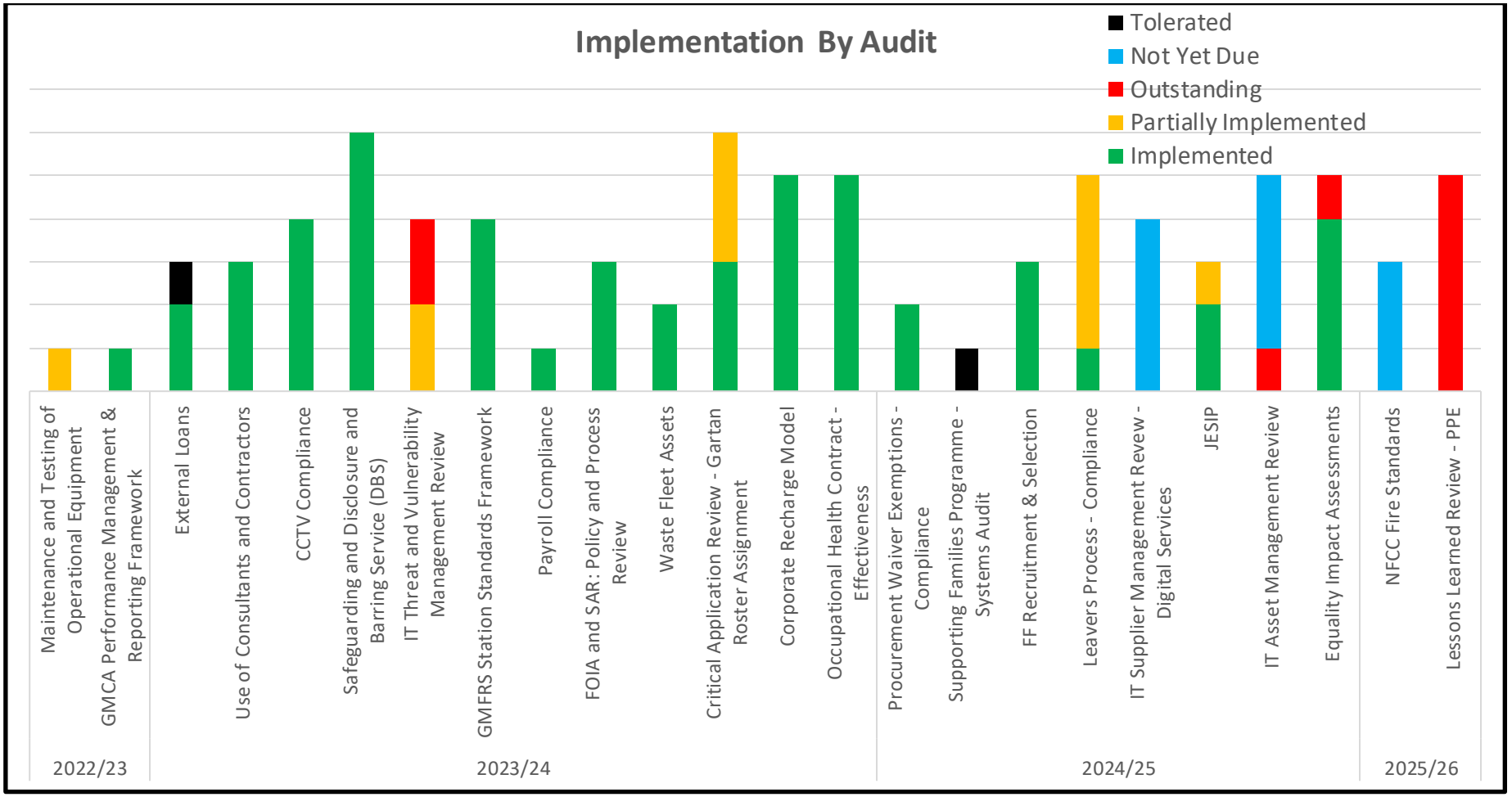
The internal audit plan is designed to be flexible and can be adjusted to reflect changes in the risk landscape, assurance needs or available capacity and resources. In line with Internal Audit Standards, the Audit Committee should approve any significant changes to the plan.

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.	September 2025
Cyber Security	BC exercise	November 2025	Request from Senior Leadership Team to undertake an exercise to test our preparedness to a cyber-attack.	

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 3 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	This relates to the roll out of Papertrail system. Since the last update an additional station has been added to the trial which is expected to be completed in the next few weeks after which system changes will be frozen and a roll out plan for the remaining stations put in place. Additional resources have been put in place to assist with station roll out, and readiness. The 'read only' system for all Station Managers is being finalised. **Anticipated Completion Date:** December 2025
March 2025	Critical Application Review – Gartan Roster Assignment	Limited	**Service Continuity** - Backup, resilience, recovery, and contingency limitations.	High	Training and Crewing Delivery manager / ICT Delivery Manager	Partially Implemented **3 Actions** 1 Closed 2 Partial	The service is currently producing their documented BCP and reviewing the current support arrangements to ensure that these meet the service needs. **Anticipate Completion Date:** December 2025
March 2025	Critical Application Review –	Limited	Logging and monitoring limitations.	Medium	Training and Crewing	Partially Implemented	The supplier has now confirmed how this action can be completed, and assuming that no issues are identified when the process is

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
	Gartan Roster Assignment				Delivery manager / ICT Delivery Manager	**2 Actions** 2 Partial	trialled in the test environment, a timeline for implementation into the live system has been set. **Anticipated Completion Date:** January 2026
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** 4 Closed 1 Partial	Internal Audit has received confirmation that the system is included in the information asset register entry. The service is working towards updating their current DPIA, with support from IDG team. **Anticipated Completion Date:** January 2026
April 2025	JESIP	Reasonable	To undertake a broader assessment with muti-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. This initial GMFRS review was taken to the Blue Light Working Group in November 2025 to discuss a wider review across the services. Other blue light partners to complete their assessments. **Anticipated Completion Date: February 2026**
June 2025	Equality Impact Assessments	Limited	Review the EIA approach being taken and the opportunity for a single corporate policy and	High	Director of People Services	Outstanding	The ongoing Governance process review will consider the corporate approach for EIAs. This work is due to run until end of March 2026. GMFRS have updated their own EIA policy and approach.

Original Target Date	Audit Title	Overall Audit Opinion	Action (Summary)	Risk Rating	Action Owner	Internal Audit Implementation Status	Audit Committee Update
			procedural framework operating across both GMCA/GMFRS				**Anticipated Completion Date:** March 2026
September 2025	Lessons Learned Review – AFF Recruitment and PPE provision	N/A	LL report covering five areas: • Culture • Recruitment Policy • AFF Recruitment Process • PPE Strategy and Policy Framework • System and record keeping	N/A	GMFRS Executive Team	Outstanding	Seeking Management Update on status **Anticipated Completion Date**: TBC

Appendix E

Governance Review update – for Audit Committee.

A Governance Review project was established in April 2025 to respond to the refreshed Greater Manchester Strategy. An external organisation was brought in to support the delivery of the programme. Phase One – Discovery has now completed, and we are moving into Phase Two – Implementation.

During Phase 1, the programme team worked with subject matter experts to undertake the following activities:

- Analysis of 'as is' position
- Development of a new GMS Governance Structure
- SRO person specification created with guidance documentation
- Terms of Reference content developed for all Boards/Groups Meetings in new structure in line with standardised template
- Scheme of Delegations reviewed
- Communications and Engagement Strategy and Plan developed
- Digital Strategy briefing drafted for review
- Project Plan produced for Implementation Phase 2 – with attachments which include Scope Definition and Change Process; Risks and Issues Log; and Register of Outcomes/Benefits

Phase 2 runs from 1 November 2025 and run to 31 March 2026 and will deliver the activity to implement a new structure – including simplified and unified processes and procedures, guidance and reporting templates, and the digital solutions required for implementation.
Implementation of this new governance structure will be supported by the Governance and Scrutiny Team and the [currently forming] Delivery Unit.

The key principles of the emerging Governance arrangements are:

- Alignment with the GMS and the GMS Delivery Plan – the GMS defines seven workstreams that will help GM achieve its vision. The governance arrangements will be aligned to those workstreams and have a named SRO for each
- The GMS workstreams are supported by four cross cutting workstreams: Resources; Equalities; Sustainable city region. Each also has a Workstream Lead.

- The establishment of a gateway board and a GMS Management Board which will be internal GMCA Boards to allow for assurance and oversight over the workstreams.
- Integration with the current portfolios of work, led jointly by Local Authority Chief Executives and Leaders

Appendix F – Audit Reports - Executive Summary

GMCA GREATER MANCHESTER COMBINED AUTHORITY

Internal Audit Report

Adult Skills Fund – Provider Performance Management

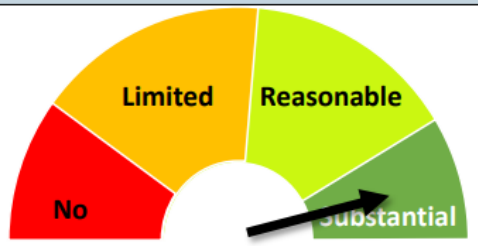
FINAL

Report Issue Date	
Draft Report Issued	16 October 2025
Management Response Received	12 November 2025
Final Report Issued	13 November 2025

Audit Team	
Damian Jarvis	Head of Internal Audit
Angela Lee	Principal Auditor

Report Distribution	
For Action	
Neil Cragg	CFO Finance & QA Programme Manager
Sharon Kelly	Senior Principal Skills Manager
Lisa Quigley	Principal Performance and Contracts Monitoring Manager
Vicky Kearney	Compliance and Standards Manager
Stephanie Simms	Senior Performance and Contracts Manager
For Information	
Audit Committee - **Executive Summary Only**	
Caroline Simpson	Group Chief Executive
Andrew Lightfoot	Group Deputy Chief Executive
Steve Wilson	Group Chief Finance Officer
Gillian Duckworth	GMCA Solicitor and Monitoring Officer
Sarah Horseman	Interim Director, Governance, Risk and Assurance
Nicola McLeod	Director, Education Work and Skills
Nic Witton-Dowd	Assistant Director, Education Work and Skills
Mazars	**External Auditor**

1. EXECUTIVE SUMMARY

AUDIT OBJECTIVE	ASSURANCE LEVEL
The objective of this audit was to provide assurance over the effectiveness of the control framework for ongoing contract monitoring and performance management of the adult education providers.	SUBSTANTIAL ASSURANCE 

KEY RISKS IF CONTROLS ARE NOT IN PLACE AND/OR OPERATING

- **DIR-FIN-03** – Contract management practices across the organisation fails to optimise commercial performance, guarantee compliance with legal (and new procurement) regulations, support delivery of project / programme outcomes or provide foresight into potential supplier collapse.
- **DIR-EWS-03** - Strategic risk around delivery of EWS programmes – we have recognised the need for greater governance and accountability around our EWS work due to the increasing scope and scale of our work, especially as further devolution through the Integrated Settlement commences.

AUDIT FINDINGS

Critical	High	Medium	Low	Advisory	Total
-	-	-	1	1	2

BASIS OF AUDIT OPINION

This is based on the scoring mechanism outlined in **Section 5 & 6** of this report.

AUDIT OPINION AND SUMMARY CONCLUSION

We provide a **Substantial Assurance opinion** over the controls in place for the ongoing performance management and compliance monitoring of the adult education providers. The systems and processes in place are operating as intended and provides assurance that the Adult Skills Fund (ASF) is being managed effectively and in compliance with the performance and funding requirements. No significant control weaknesses

or non-compliance issues were identified during the review. As part of this audit, a sample of ten ASF providers were reviewed (five grant and five procured) for 2024/25, the audit found that:

- Governance arrangements are well-defined and clearly assign roles and responsibilities.
- Compliance monitoring processes are in place and consistently applied. The Compliance and Standards Manager undertake regular compliance checks of all providers; compliance visits have been completed for all 32 providers for the academic year 2024/25.
- The Performance and Contract Monitoring team proactively manages the performance of ASF providers through a standardised Performance Management process applied consistently across all the providers in the audit sample.
- Performance outcomes are monitored against agreed targets, such as learner enrolment and funding utilisation.
- Key controls are in place to ensure the accuracy and reliability of the Individualised Learner Record (ILR) data. This includes automated validation checks, clear data entry requirements and regular oversight mechanisms which collectively support data integrity and compliance with funding requirements.
- ASF providers are transparent in communicating both the challenges they encountered and the aspects of delivery that are working well which shows the constructive and open working relationship that supports continuous improvement.
- Documentation submitted during the audit demonstrated effective collaboration and continuous engagement between GMCA Education Work and Skills (EWS) and the providers, with clear evidence of support mechanisms and shared learning in place.
- There was also evidence of partnership working among the providers and sub-providers themselves, demonstrating a supportive, collaborative and solution-focused approach to programme delivery.
- Financial performance is jointly monitored by the Performance and Contract Monitoring team and the providers, with shared oversight mechanisms that promote transparency, accountability, and effective financial management.

One recommendation was raised relating to the sampling approach for the compliance checks. The audit identified that while learners were selected at random, the sample did not fully represent the entire learner population as some higher-value learning aims were not included in the sample which may limit the completeness of the assurance obtained from the compliance checks.

Note: EWS have recently established a quality assurance function with the intention of providing 'second line assurance' to both internal and external stakeholders. This function is in the pilot stage and will provide annual provider and contract-level compliance assurance across a range of EWS contracts.

AREAS OF GOOD PRACTICE

- Officers demonstrated a clear understanding of the processes under review and were able to articulate the Performance Management and Compliance Monitoring procedures confidently and accurately.

- The audit was conducted with full cooperation and engagement from the Performance and Contract Monitoring team who consistently provided requested documentation in a timely and organised manner. Officers maintained well-structured records that were readily accessible, and the level of responsiveness reflects strong documentation practices and a proactive approach to audit engagement, contributing positively to the overall efficiency and effectiveness of the audit process.
- Oversight mechanisms are in place with regular tracking and monitoring of actual against profile on the financials and learners. Any overspend or underspend by the providers are highlighted clearly in the performance reports throughout the year.
- A structured compliance monitoring framework is in place, incorporating scheduled provider compliance monitoring visits which consisted of the following key checks:
  - Learner Eligibility - Check eligibility documents for sample learners (age, residency, employment)
  - Data Integrity - Cross-check Individual Learner Record (ILR) entries with learner files for accuracy
  - Delivery & Attendance - Verify provider's delivery via registers, tutor logs and learning records.
  - Subcontracting - Review subcontractor arrangements, due diligence, compliance checks/audits, monitoring reports, policies
  - Outcomes and progression - Check destination/outcome evidence for individual learners.

AREAS FOR IMPROVEMENT

The main area for improvement related to the following:

- The sampling for the compliance checks does not fully represent the learner population as some higher-value learning aims were not included in the sample e.g. Advanced Technical Extended Diploma in Animal Management with value of £15198.94.

2. SUMMARY OF AGREED ACTIONS

	Finding	Risk Rating	Agreed Action	Target Date
1	Sampling does not fully represent the learner population.	LOW	It is recommended that future sampling should ensure that learning aims with higher values are proportionately represented to provide a more comprehensive assurance of compliance.	To take affect for 2025/26 sampling

2	Adult Skills Funding & Performance Rules Update Required	**ADVISORY**	Review and update the Adult Skills Fund: Funding & Performance Management Rules to ensure they accurately reflect current practices, roles and responsibilities. This will help promote and maintain clarity and consistency in application and prevent potential confusion amongst staff.	Update to V3 for 2025/26 Rules

AUDIT SPONSOR COMMENTS
The Adult Skills Team within the Education, Work and Skills Directorate welcomes the findings of the audit and acknowledges the proposed actions. We will adopt the suggested approach to sampling to ensure high value learning aims are represented whilst recognising trends reflected in the data. We will also update The ASF Funding & Performance Management Rules with the advised changes to ensure they reflect current practices.

GMCA Internal Audits are undertaken in conformance with the Global Internal Audit Standards (GIAS) - UK Public Sector

GMCA GREATER MANCHESTER COMBINED AUTHORITY

miaa

Internal Audit Report

Follow Up Review Summary
Ref: MIAA 2025/01

FINAL

Report Issue Date	
Summary Report Issued	28 October 2025

Audit Team	
Damian Jarvis	Head of Internal Audit, GMCA
Catherine Watts	Principal Digital Risk Consultant - MIAA

Summary Distribution	
For Action	
Phil Swan	Director / CIO (Chief Information Officer), Digital, GMCA
Paul Wilkinson	Head of Digital Solution, GMCA
Ben Lancaster	Delivery Manager Technology
For Information	
Audit Committee – Executive Summary Only	
Caroline Simpson	Group Chief Executive
Andrew Lightfoot	Managing Director, GMCA
Steve Wilson	Group Treasurer
Gillian Duckworth	GMCA Solicitor and Monitoring Officer
Sarah Horseman	Deputy Director Audit and Assurance, GMCA
Dave Russel	Chief Fire Officer
Carlos Meakin	Deputy Chief Fire Officer
Andrea Heffernan	GMFRS Director of Corporate Support
MIAA	Internal Auditor
Tony Cobain	Digital Director - MIAA
Paula Fagan	Assistant Director – Digital - MIAA

EXECUTIVE SUMMARY

FOLLOW UP SUMMARY

This report provides a summary update on the implementation status of agreed actions (as of October 2025) from four previous published reports. The reports include IT Threat and Vulnerability, Critical Application (Gartan), IT Asset Management and IT Supplier Management reviews.

The update is based on the outcome of discussions held with relevant officers and review of available evidence. Individual remediation action plans are in place with ownership assigned to several stakeholders including ICT/Digital, People Services, Commercial Services, and Information Governance teams.

Threat and Vulnerability Review – Date issued November 2023:

- Threat intelligence, malware detection / prevention limitations (High): **12 actions** – **9 closed**, 3 remain partial.
- Patching, hardening and authentication strategy limitations (High): **12 actions** – **9 closed**, 2 see CAF improvement plan, 1 partial – remains Partial.
- Incident handling and reporting and Training and awareness limitations (Medium): **11 actions** – **4 closed**, 7 partial (1 dependency on HR, 4 - see on BC exercise and 2 other) – remains Partial.
- Risk assessment(s), reporting and monitoring limitations (Medium): **5 actions – 4 closed**, 1 superseded. **Closed**

26/40 actions are complete (65%)

Critical Application Review - Gartan Roster Assignment – Date Issued March 2024:

- External System Security (High): **2 actions** - **Closed**.
- Service continuity (High): **3 actions** – **2 closed**, 1 remains Partial.
- User access controls (Medium): **1 action** - Closed but should track MFA through CAF work (risk assessment).
- Administrator access (Medium): **1 action**- Closed.
- Logging and monitoring (Medium): **2 actions** – remains Partial.
- System Governance (Low): **5 actions** – remains Partial.

6/14 actions are complete (43%)

IT Supplier Management review (Procurement/ IG / Digital / IAOs) – Date Issued October 2024:

- Understand the risk – risk assessment and assurance limitations (High): **4 actions**, **1 closed** 3 remain Partial.
- Establish and maintain control – contract management limitations (Medium): **5 actions**, remains Partial.
- Checking arrangements are in place – due diligence limitations (Medium): **3 actions**, remains Partial.
- Continuous improvement – monitoring and reporting limitations (Medium): **2 actions** (documents rationalised as an RM framework), remains Partial.

1/14 actions are complete (7%)

IT Asset Management review – Date Issued January 2025:

- Incident management in relation to dormant, duplicate or missing assets limitations (High): 9 actions, **2 closed**, 2 on hold, 5 open/ WIP – remains Partial
- Appropriateness and completeness of data recorded Limitations (High): 7 actions, **1 closed**, 3 on hold, 3 open / WIP – remains Partial.
- Processes/controls in place to manage disposal of IT Assets limitations (Medium): **6 actions**, **1 closed**, 2 on hold, 4 WIP – remains Partial.
- Management of changes to IT assets including upgrades / end of life support limitations– monitoring and reporting limitations (Medium): **6 actions**, 3 on hold, 3 WIP – remains Partial.
- Policies, procedures and reporting and governance controls limitations (Medium): **5 actions**, 2 on hold, 3 open – remains Partial.

4/33 actions complete (12%)

AREAS OF GOOD PRACTICE

Threat and Vulnerability Review:

- Pen testing now being completed annually.
- Pen testing of systems such as Gartan and the DMZ servers and new station equipment were in scope of the pen testing.
- Pen testing high, critical and medium actions tracked and progress against the actions reported.
- SIRO was oversighted on the top cyber risks. Risks being reported monthly.
- Key Performance Indicators had been created and were being reported upon such as phishing emails blocked in the last 30 days patching compliance for Windows servers / end user devices etc. Dashboard metrics being extended.
- More resource was now in place in the ICT Infrastructure team (to support end user / security / infrastructure capability / cyber improvement plan).
- A Major Incident Management Response Guidance documented drafted, forensic / incident response support agreed and a WhatsApp group created. These updates / improvements were to be captured in the updated guidance and the document published.
- Upgrade of the Cisco VPN was completed and new solution with MFA deployed.
- New policy documentation had been produced such as the logging and monitoring policy, patching and vulnerability policy and procedure and backup policy and procedure.
- The team had begun to patch more third-party software with further work planned.
- A legacy Windows 2012 server had been decommissioned.
- Work was planned to replace station equipment (Windows XP encoders / machines) with bespoke supported software.
- An applied cyber treatment plan commissioned through the Home Office was implemented whilst this new station equipment was being rolled out.
- Digital staff had undertaken additional cyber incident training.

Critical Application Review - Gartan Roster Assignment:

- The team were engaging with the supplier to progress actions.
- A documented DR exercise plan and backup schedule was evidence for the Gartan system.
- A copy of a Business System Administrator Guidelines and Best Practice document was provided.
- Digital team had reviewed the pen test and advised completed the actions.

- Business Impact Assessment provided to main audit team
- Main audit team had reviewed the user list / evidence of regular reviews

IT Supplier Management review (Procurement/ IG / Digital / IAOs):

- Work was in progress to action the IT supplier management improvements re contracts and assurance.
- We were advised that
  - an AI policy had been produced and was evidenced.
  - a security addendum had been drafted and circulated to Manchester Council Legal Team for comment.
  - A new central contract repository solution was under consideration.
  - A new cyber security questionnaire for new / renewed suppliers was produced
  - An ICT supplier monitoring spreadsheet had been produced

IT Asset Management (End User Devices)

- Guidance was produced / evidenced to ensure staff consistently followed a process for returning equipment to Digital Services
- Digital Services had a room allocated in Tootal Buildings for building machines / having a presence on-site.
- The team were engaging with the third-party provider of the service desk to explore further opportunities for improvement / additional functionality
- A disposal contract was evidenced

DEPENDENCIES

- Board level training required scheduling / completing to ensure that the board received timely information of the evolving cyber landscape.
- **Business continuity testing exercise by MIAA planned for December 2025** to inform:
  - A recovery list of key services required agreement by the organisation to inform the disaster recovery planning.
  - A regular schedule for BCP tests required agreement by the organisation and the involvement of senior business owners in tests.
  - Additional resiliency and recovery documentation.

- Job profiles for the role and responsibilities of the Cyber Security Manager and Emergency Planning Response and Readiness (EPRR) lead were not documented however they were being performed by members of staff such as Paul Wilkinson (EPRR / Cyber) and Ben Lancaster (Cyber).
- To complete some of the more technical aspects of the ICT actions, the team were dependent upon recruiting and appointing a system security architect to lead. Without a specialist lead the work undertaken was limited.
- Further work was planned around embedding cyber security toolsets and assurance regimes.
- Information Asset administrators in corporate services such as HR, Finance, etc. required additional training to enhance their understanding of cyber controls / risks.
- Acceptable Usage Policies / job roles that reference the standard policy set including Acceptable Usage Policies required further discussion with HR.
- The project to ingest additional logs into a Security Incident and Event Monitoring solution had a dependency on additional resourcing being in place. This work was now progressing.
- Further work around social medica accounts was required, with some accounts now without an owner, having been created by someone who has left the organisation. Examples were Nighttime Economy twitter feed etc. Checking all accounts was to be part of exit strategy / risks around social media accounts were to be escalated.
- Purchase and deployment of a new central contract management solution, was dependent on funding / resourcing being available.
- A move of Gartan to a cloud-based instance was dependent upon funding / resourcing being available. It offered a more secure access control and authentication framework than the on-premises solution (being deprecated by the IT supplier).
- Gartan password policy agreed however, Multi Factor Authentication capability should be risk assessed through the CAF work.
- Asset Management actions were on hold until a work request was place with the Service Desk provider and there was a dependency on the availability of additional resourcing.
- New Asset & Configuration Officer to help produce report for directorate leads with Service Operations Team Leader and communicate information across all directorate leads / and work with Contract Manager.
- Supporting documentation / resourcing levels required strengthening with processes to be formalised and resource to be in post.

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	• 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	• 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	• 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	• 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**