



HM TREASURY

Core brief for the recruitment of HIA posts in central government:

expectations of the HIA role

February 2010



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Purpose & Background

1.1 This core brief sets out the requirements for the Head of Internal Audit (HIA) Role and has been prepared to assist central government organisations in the recruitment process. The HIA is responsible for the internal audit service and for providing the Accounting Officer (AO) with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This must be done in an economical, efficient and effective manner and in time to inform the completion of the annual Statement on Internal Control (SIC).

1.2 The purpose, authority and responsibility for the internal audit service must be formally defined in an internal audit charter, consistent with the Government Internal Audit Standards (GIAS). The Charter will include the arrangements for the appointment of the HIA and internal audit staff.

1.3 This guide sets out some of the main principles for the HIA role, expanding upon the GIAS and guidance available: http://www.hm-treasury.gov.uk/psr_governance_gias_guidance.htm and the professional skill requirements for internal audit captured in the Government Internal Audit Competency Framework: <http://www.civilservice.gov.uk/my-civil-service/networks/professional/internal-audit-profession.aspx>.

2

Accountabilities & Responsibilities

Responsibilities

2.1 Internal Audit is a key part of the governance and assurance arrangements in the public sector. Its prime objective is to provide the Accounting Officer (AO), in an economical, efficient and timely manner, with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control arrangements.

2.2 The HIA will also advise the AO of the risks to which (s)he may be exposed if the scope of audit is limited or qualified in any way.

2.3 Internal Audit is not an extension of, nor a substitute for, line management. Responsibility for internal control continues to rest fully with line managers.

Independence

2.4 The internal audit activity must be independent and free from interference in determining the scope of internal auditing, performing work and communicating results.

2.5 Internal audit is primarily a service for the AO. In order to operate independently and objectively, the HIA must have free and unfettered access to both the AO and Audit Committee Chair. The AO should have responsibility for the performance appraisal of the HIA, advised by the Audit Committee Chair, to avoid undue influence in the effective conduct of this work.

Job Description

2.6 The HIA is a leadership role, with a specific mandate for the quality and performance of internal audit. In particular (s)he will:

- Provide the Accounting Officer with an opinion on the overall adequacy and effectiveness of the organisation's arrangements for governance, risk management and control, timed to support the Statement on Internal Control;
- Develop and maintain a strategy designed to provide an evidence-based opinion and to address respective developmental and capability needs of the IA function. This strategy must be aligned to the risk profile of the organisation, outlining the resources and skills required to meet the assurance needs of the AO, Board and Audit Committee in a focused and cost effective manner. The strategy must take into account the relative risk maturity of the organisation;
- Undertake consultancy services, where appropriate, without taking on managements' responsibility;
- Establish policies and procedures to guide the internal audit service; and
- Share information, co-ordinate activities and work collaboratively with other internal and external providers of assurance and consulting services to provide an effective assurance framework.

3

Candidate Profile

Qualification, Experience and Abilities Expected

3.1 The postholder will require strong internal audit experience with the personal impact, strategic capability and influencing skills to play a prominent role in provision of assurance to the Accounting Officer and Audit Committee. In particular, prospective candidates for HIA posts will have or be able to demonstrate:

- 1 Qualified professional membership of an internal audit or accountancy body; for example, MIIA, CCAB;
- 2 Senior internal audit level experience of successful change management;
- 3 Evidence of successful management, co-ordination and reporting across the various professional disciplines of an HIA post;
- 4 A successful track record in internal audit management and participation in the formulation of audit objectives, policies and strategies, preferably within an organisation with comparable scope, responsibilities, budgets and resources.
- 5 A successful track record of influencing, giving professional advice to and building effective and productive working relationships with senior managers, those engaged in managing risks and other assurance providers;
- 6 Experience of managing, setting and monitoring budgets and financial management information, in order to make effective use of internal audit resources;
- 7 A successful track record in audit planning, quality and performance management.
- 8 Proven leadership and staff management skills.
- 9 The ability to develop and implement the internal audit vision and strategy, compatible with the corporate vision and strategy, and to undertake a vital role in the governance arrangements.
- 10 The ability to provide professional, independent advice confidently, and recommendations on how to address control weaknesses efficiently and effectively;
- 11 The ability to handle competing priorities and a challenging workload within a pressurised environment; and
- 12 An understanding of the government environment and parliamentary accountability. Familiarity with central government accountability and financial management would be helpful but not essential.

3.2 The successful candidate is expected to meet the Professional Skills for Government requirements that cover leadership, core skills, professional skills and broader experience. Further details about Professional Skills for Government can be found by visiting the Cabinet Office website: <http://www.civilservice.gov.uk/about/improving/psg/index.aspx>

3.3 The grading of the post will be commensurate with the risk profile and demands of the respective organisation. The HIA needs to have the status to operate as a critical friend and strategic partner at a senior level in the organisation. The HIA will need sufficient status credibly to influence and interact with executive and non-executive directors.

Qualities and Behaviour

3.4 In the context of the Professional Skills for Government competencies framework, examples of the skills and behaviour that might be appropriate for a HIA post include:

Giving purpose and direction

You will have a clear picture of how a top-class internal audit function needs to serve the organisation. As a self-starter, you will need to demonstrate your ability to set clear objectives and plans, to involve people in your vision, and to agree clearly who is responsible for achieving results. You will be able to initiate change and make it happen. You will be committed to valuing the diverse contribution that others around you can make.

Making a personal impact

You will have strong leadership skills, respected for your honesty and integrity as well for your insights in looking beyond the norm and challenging established practices as well as being challenged. You will have the ability to inspire confidence and trust of those you work with, creating a strong governance and risk-managed environment.

Thinking strategically

You will be able to demonstrate your ability to take account of the wider organisational, political and economic context in which you carry out your role – exercising tact and diplomacy but delivering your advice clearly and authoritatively no matter how unwelcome. In a fast moving business you will be able to handle complex and conflicting data and make sense of it for the organisation. You will know what technology can offer in improving business performance and capacity.

Getting the best from people

You will be able to demonstrate an approach that gets the best from people, identifying and bringing on talent wherever you find it. You will be able to give and receive regular constructive feedback. You will be ready to recognise and celebrate success as well as tackle poor performance or inappropriate behaviour.

Learning and Improving

You will be technically proficient, committed to learning and development – your own, your team's and the organisation's. You will be good at building strong and productive relationships within and outside the organisation. You will welcome new perspectives, and offer your own in return. You will be able to demonstrate your ability to adapt quickly and flexibly to change.

Focusing on delivery

You will be able to demonstrate your ability to manage the delivery of internal audits within an organisation, on time, within budget and to a high quality. You will have a strong grip of the resources allocated to you, and will get the best from them. You will be successful at managing the performance of the internal audit team, so that it adds value to the organisation and its customer.

3.5 Additionally, the HIA must exhibit effective behaviours:

- As laid out in the Civil Service Code which can be found at <http://www.civilservice.gov.uk/about/values/cscodex/index.aspx> and in the Code of Ethics as set out in the GIAS (see 1.3 above); and
- That demonstrate integrity in all aspects of their work. Their relationship with colleagues, stakeholders and external contacts should be one of honesty and fairness, to establish an environment whereby there is trust in the work carried out by the internal audit team. This would also help to facilitate independent challenge in a positive and constructive manner whereby internal audit is recognised as a strategic partner, trusted business advisor and objective consultant by key stakeholders.

HM Treasury contacts

This document can be found in full on our website at:
hm-treasury.gov.uk

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