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Protocol for Sharing Internal Audit Reports

Dear Principal Accounting Officer,

Contact

Please address enquiries to: GIAA.IAProfession@giaa.gov.uk

Action

Each Principal Accounting Officer and those who support them should be aware of the requirements of the Protocol for Sharing Internal Audit Reports within government, including the list of those who have standing to request a report and in what exceptional circumstances, the mechanism for making and responding to a request for sharing a report, and the Principal Accounting Officer's right of veto.

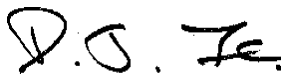
Protocol for Sharing Internal Audit Reports within Government: Context and Summary of Requirements

1. On 29 September, the Government Internal Audit Agency (GIAA) published the *Protocol for Sharing Internal Audit Reports*.¹ It has been prepared by the Government Internal Audit Agency in response to the recommendation (number 58) made by Lord Maude in his 2020 review of the Government functions, to the effect that “*The custom whereby internal audit reports are confidential to [departments] should be discontinued. A sharing protocol should be developed and agreed, setting out how and under what circumstances internal audit reports should be shared...*”. This recommendation was welcomed by the Government.
2. The Protocol, which fully reflects feedback received from the Civil Service Board, has also been included as a new annex to GovS 09 – *Internal Audit*, by which all those who have standing to request the sharing of an Internal Audit report within government ‘should’ only do so under the terms of the Protocol. The process will be managed by the Audit Profession team in GIAA through use of the dedicated mailbox referenced above. The Protocol will initially operate on a “test and learn” basis for the first year, during which GIAA will gather data on the number of occasions the Protocol has been used and the type of reports that are requested. GIAA will return to the Civil Service Board with this data in June 2023 for final endorsement.
3. After a short description of the purpose of internal audit in the government context, the Protocol focuses on the exceptional circumstances under which an internal audit report could be shared within government (the “when”); precise details of “who” can share or raise a request for a report to be shared; and “what” can be shared (including principles of information governance and data handling). The document concludes by describing the Principal Accounting Officer’s right to veto a request for a report to be shared, with list of those who can make a request under the Protocol (Annex A) and a comprehensive process guide (Annex B).
4. The Protocol acknowledges that a recommendation to share reports internally within government needs to be finely balanced to deliver the collective benefits to the public of identifying and understanding common areas of risk across departments but without undermining the quality of a fully independent internal audit service or the trust-based relationship that exists between internal audit and an Accounting Officer. The document is firmly grounded in the *Managing Public Money* standards of openness, accountability, transparency and objectivity and is presented from a context of continuous improvement and a desire to share relevant information for the common good. It is not intended for the purposes of censure or keeping score.
5. The Protocol provides an illustrative list of the occasions when it might be appropriate for an internal audit report to be shared with the limited group of government officials listed in Annex A, starting in the territory of the financial criteria applicable to the Major Project Review Group and then ranging to the broader context of when a policy or issue is to be delivered by multiple departments and the findings of a report in one department could helpfully indicate issues of concern elsewhere, or to provide insight about a significant or material decision made in a single department which highlights good practice or lessons

¹ [Protocol for sharing Internal Audit Reports - GIAA](#)

to be applied in other organisations.

6. The individuals with standing to request that a report is shared are limited only to those set out in Annex A. Essentially, potential requestors fall into three groups:
 - a. The Principal Accounting Officer of a department when they realise (or are prompted to take notice) that a report includes information of such import to the rest of government, that sharing is not only necessary, but is in fact objectively beneficial. It is envisaged that most requests will come from this group.
 - b. Those listed in Annex A of the Protocol, including Ministers and/or the most senior officials in HM Treasury and the Cabinet Office and/or the Principal Accounting Officer of a different department. It might be necessary to establish that a report exists by first asking GIAA via the mailbox.
 - c. In exceptional circumstances, the Head of the Government Internal Audit function (GIAA CEO) may decide there is a compelling reason for an Internal Audit report to be shared and would approach the relevant Principal Accounting Officer.
7. Finally, the Protocol recognises that there will be circumstances in which a Principal Accounting Officer does not agree to share an internal audit report under the terms of the Protocol. In line with the principles of *Managing Public Money*, the final decision on whether or not to share a report remains solely with that Principal Accounting Officer.
8. I hope you find the new *Protocol for Sharing Internal Audit Reports* useful. Sharing reports in the way described is new for government and GIAA stands ready to help Accounting Officers with any questions they might have about the scope or operation of the Protocol.



David Fairbrother
Treasury Officer of Account