

**CIPFA'S STATEMENT ON THE ROLE OF HIA, SELF ASSESSMENT, CORE RESPONSIBILITIES, PERSONAL SKILLS AND PROFESSIONAL STANDARDS**  
**SELF ASSESSMENT CHECKLIST – CORE RESPONSIBILITIES, PERSONAL SKILLS AND PROFESSIONAL STANDARDS**

**APPENDIX 3**

<b>CORE RESPONSIBILITIES, PERSONAL SKILLS AND PROFESSIONAL STANDARDS</b>	<b>YES</b>	<b>PART</b>	<b>NO</b>	<b>COMMENTS</b>
<b>PRINCIPLE 1: The HIA in a public service organisation plays a critical role in delivering the organisation's strategic objectives by championing best practice in governance, objectively assessing the adequacy of governance and management of existing risks, commenting on responses to emerging risks and proposed developments.</b>				
Does the HIA help to promote the benefits of good governance throughout the organisation.	√			In all aspects of risk management, internal audit and in support of annual review of the effectiveness of the Council's corporate governance arrangements.  Presentations to Service Management Teams (SMT)
Does the HIA work with others in the organisation who have a responsibility for promoting good governance.	√			Key relationship is the Monitoring Officer and Change Co-ordination Group support via Risk and Governance Manager
Does the HIA give advice to the Leadership Team and others on the control arrangements and risks relating to proposed policies, programmes and projects.		√		Not direct to the leadership team. Some involvement in projects but involvement is ad hoc. No consultation as a matter of routine. Risk management support of key decisions. General advice and consultancy eg review of financial procedures rules and implementation of financial management standards.  Need to improve assurance on programme and project risks
Does the HIA promote the highest standards of ethics and standards across the organisation based on the principles of integrity, objectivity, competence and confidentiality.	√			As reflected in the Internal Audit Charter and personal conduct.
Does the HIA demonstrate the benefits of good governance for effective public service delivery and how the Head of Internal Audit (HIA) can help.	√			Consultation and presentations given to SMT's  Training to be developed for tier 4 officers.
Does the HIA offer consultancy advice where the HIA considers that it is appropriate, drawing up clear terms of reference for such assignments.	√			Offered as part as consultation process on audit plans. Terms of reference agreed for all specific assignments – not ad hoc advice.
Does the HIA provide leadership by giving practical examples of good governance that will inspire others.	√			Wherever possible best practice advice will be provided through all audit work – planned assurance or ad hoc advice and consultancy
Does the HIA deploy effective facilitating and negotiating skills.	√			

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Does the HIA build and demonstrate commitment to continuous improvement.	√			Post audit questionnaires. Consultation with SMT's. IARM operational improvement and training plan. Networking groups. Affiliated member of IIA.
Does the HIA demonstrate consultancy skills as appropriate – analytical, problem solving, influencing and communicating.	√			
<b>PRINCIPLE 2: The HIA in a public service organisation plays a critical role in delivering the organisation's strategic objectives by giving an objective and evidence based opinion on all aspects of governance, risk management and internal control.</b>				
Does the HIA give assurance on the control environment. This includes risk and information management and internal controls across all systems.	√			HIA responsible for Internal and Risk management functions
Does the HIA review the adequacy of key corporate arrangements including eg risk strategy, risk register, anti fraud and corruption strategy, corporate plan.		√		Annual review of local code of corporate governance and effectiveness in support of preparation of AGS. Responsibilities for risk management function. Review performance management arrangements which lead to corporate plan and its monitoring.
Does the HIA produce an evidence based annual internal audit opinion on the organisation's control environment.	√			As reported to CMT and audit committee
Does the HIA work closely with others to ensure that sufficient and relevant evidence is used. Where relying on others, clarifying the degree and basis for the reliance.	√			Further improvements in this area through the development of assurance mapping and assessment of other assurance sources. Need to work more closely with other assurance providers.
Does the HIA review significant partnership arrangements and major services provided by third parties and the controls in place to promote and protect the organisation's interests. Assessing whether lines of responsibility and assurance are clear.	√			Rolling programme of assurance reviews to be developed following annual self-assessment exercise
Does the HIA liaise closely with the external auditor to share knowledge and to use audit resources most effectively.	√			Frequency of meetings could be improved. Standing invitation for external auditor to attend fortnightly managers meetings
Does the HIA produce an internal audit strategy that fits with and supports the organisation's objectives.	√			Internal Audit Charter, Strategic and Annual Audit Plans

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Does the HIA review the organisation's risk maturity (including the organisation's own assessment) and reflecting this in the strategy.	√			Internal audit charter. Considered as part of assurance mapping and strategic planning exercise leading to the CRSA approach to be adopted to embed risk management process into operation service activities. Risk based auditing not yet fully embedded in audit process. Training provided by IIA in May. Review of audit processes and procedures in progress to ensure consistent approach applied..
Does the HIA consult stakeholders, including senior managers and non-executive directors/elected representatives on the internal audit strategy.	√			Internal Audit Charter approved by CMT and Audit Committee
Does the HIA set out how the HIA plans to rely on others for assurance on the organisation's controls and risks and taking account of any limitations in assurance given by others.	√			Assurance mapping exercise and consideration of other assurance sources as part of the planning stage of every audit assignment
Does the HIA liaise with external inspectors and review agencies where appropriate when drawing up the internal audit strategy.			√	Some consideration of other inspection requirements eg former use of resources. More work required to understand assurance provided by other assurance providers. Strategy will ensure consideration of other assurance sources. Timing of audit reviews will give consideration to timing of other assurance providers eg Overview and Scrutiny, external audit, AWH Quality Team
Does the HIA liaise with the external auditor on the internal audit strategy, but not being driven by external audit's own priorities.	√			
Does the HIA give clear, professional and objective advice.	√			
Does the HIA report on what is found, without fear or favour.	√			
Does the HIA demonstrate integrity to staff and others in the organisation.	√			
Does the HIA exercise sound judgement in identifying weaknesses in the organisation's control environment and a balanced view on how significant these are.	√			Recommendations priority based on risk Development of risk based auditing and improved reporting will improve this. Training scheduled.
Does the HIA work well with others with specific responsibilities for internal control, risk management and governance including (as appropriate to the sector) Chief Executive, Chief Legal Officer, Chief Financial Officer, Audit Committee, non-executive directors/elected representatives.	√			Contact with Chief Executive only on exceptional issues.

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Does the HIA have concern for action - influencing the Leadership Team, Audit Committee and others to ensure that the HIA's recommendations are implemented.	√			Exception reporting introduced through quarterly progress reporting to Corporate Directors and Audit Committee has improved responses to draft reports and implementation of recommendations
Is the HIA a role model, dynamic, determined, positive, robust and with resilient leadership, able to inspire confidence and respect and exemplify high standards of conduct	√			
<b>PRINCIPLE 3: The HIA in a public service organisation must be a senior manager with regular and open engagement across the organisation, particularly with the Leadership Team and with the Audit Committee.</b>				
Does the HIA escalate any concerns through the line manager, Chief Executive, Audit Committee and Leadership Team, legal officers, external auditor as appropriate	√			Escalation procedures within Internal Audit Charter. Regularly scheduled reporting and ad hoc reporting as required.
Does the HIA support the Audit Committee in reviewing its own effectiveness and advising the Chair and line manager of any suggested improvements.	√			Instigates annual effectiveness review. Prepares action plan and helps committee monitor it.
Does the HIA consult stakeholders, including senior managers and non-executive directors/elected representatives on the internal audit strategy.	√			Internal Audit Charter, strategic planning and assurance mapping exercise
Does the HIA network effectively to raise the profile and status of internal audit	√			Large campaign in 2010 following formation of new service following LGR. Internal Audit involved on a number of working groups eg SPN. More training and awareness raising to be developed.
Does the HIA adopt a flexible style, being able to collaborate and advise but also able to challenge as appropriate.	√			
Does the HIA build productive relationships both internally and externally.	√			Involvement on a number of networking groups. Need to develop better relationships with other potential assurance providers and more regular 1-2-1 meetings with Corporate Directors.
Does the HIA work effectively with the Leadership Team and Audit Committee with political awareness and sensitivity.	√			
Is the HIA seen to be objective and independent but also pragmatic where appropriate.	√			
<b>PRINCIPLE 4: The HIA in a public service organisation must lead and direct an internal audit service that is resourced to be fit for purpose.</b>				
Does the HIA lead and direct the internal audit service so that it makes a full contribution to and meets the needs of the organisation and external stakeholders.	√			Risk based auditing needs to be developed to improve effectiveness

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Does the HIA determine the resources, expertise, qualifications and systems for the internal audit service that are required to meet internal audit's objectives; using a full range of resourcing options including consultancy, working with others and buying in where appropriate.	√			Partner appointed for Pension Fund
Does the HIA inform the Leadership Team and Audit Committee if there are insufficient resources to carry out a satisfactory level of internal audit, and the consequence for the level of assurance that may be given.	√			Annual audit plan, annual audit report and quarterly progress reports will make reference any resource concerns and the effect on assurance.
Does the HIA implement robust processes for recruitment of internal audit staff and/or the procurement of internal audit services from external suppliers.	√			Corporate procurement processes followed for appointing external partner, Current structure recruited through LGR recruitment processes.
Does the HIA ensure that the professional and personal training needs for staff are assessed and seeing that these needs are met.	√			Staff appraisal, away days, divisional forum, and service training plan. CIPFA's "excellent auditor", skills assessment to be introduced.
Does the HIA develop succession plans and help staff with their career progression.	√			Within the restriction of corporate processes and procedures and budget.
Does the HIA establish a quality assurance and improvement programme that includes: – Ensuring that professional internal audit standards are complied with. – Reviewing the performance of internal audit and ensuring that the service provided is in line with the expectations and needs of its stakeholders. – Providing an efficient and effective internal audit service – demonstrating this by agreeing key performance indicators and targets with the line manager and Audit Committee; annually reporting achievements against targets. – Putting in place adequate ongoing monitoring and periodic review of internal audit work and supervision and review of files, to ensure that audit plans, work and reports are evidence based and of good quality. – Ensuring that any internal auditors declare any interests that they have. – Seeking continuous improvement in the internal audit service.	√			Training on standards Documented processes - being reviewed Audit Manual in development Periodic quality checks Review of working papers and reports by audit managers PI's agreed as part of Charter with CMT/Audit Committee. Review of final reports IARM service plan Post Audit Questionnaires. 1-2-1 with Corporate Directors
Does the HIA keep up to date with developments in governance, risk management, control and internal auditing, including networking with other HIAs and learning from them, implementing improvements where appropriate.	√			CIPFA and IIA membership. Chief County Audit Network (CCAN) T & W Audit Group. Vice Chair of CIPFA North East Audit Group

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Does the HIA demonstrate how internal audit adds value to the organisation.	√			Standard item on quarterly progress reports and annual audit report
Does the HIA demonstrate leadership and be an ambassador for internal audit.	√			Away days, divisional forums , training sessions
Does the HIA create, communicate and implement a vision for the internal audit service.	√			More work needed to promote Internal Audit Charter.
Does the HIA create a customer focused internal audit service.	√			Consultation and agreement of plan. TOR's
Does the HIA establish an open culture, built on effective coaching and a constructive approach.	√			
Does the HIA promote effective communication within internal audit, across the broader organisation and with external stakeholders.	√			Team meetings/divisional forums, presentations to members and officers. Meetings with External Auditor.
Does the HIA set and monitor meaningful performance objectives for staff.	√			PI's agreed by Audit Committee. PDP's for Managers. Productive chargeable days target set and monitored.
Does the HIA manage and coach staff effectively.	√			
Does the HIA comply with professional standards and ethics.	√			
Does the HIA require the highest standards of ethics and standards within internal audit based on the principles of integrity, objectivity, competence and confidentiality. In particular, ensuring that internal auditors identify and report any conflicts of interest and act appropriately.	√			Training on standards. Annual update of conflict of interests.
Does the HIA ensure, when necessary, that outside expertise is called upon for specialist advice not available within the internal audit service.	√			e.g Pension Fund
Does the HIA promote discussion on current governance and professional issues and their implications?	√			Managers meetings. Feedback from networking groups.
<b>PRINCIPLE 5: The HIA in a public service organisation must be professionally qualified and suitably experienced.</b>				
Is the HIA a full member of an appropriate professional body and have an active programme for personal professional development.	√			CIPFA. IIA affiliated member. No formal programme of personal professional development. Receive regular updates form TIS online and IIA, network groups will attend training as and when considered necessary. Staff appraisal process
Does the HIA adhere to professional internal auditing (and where appropriate accounting and auditing) standards.	√			Risk based auditing needs to be further developed and embedded.

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Does the HIA demonstrate a range of skills including communicating, managing and influencing, as well as an understanding of IT and consultancy.	√			
Does the HIA have prior experience of working in internal audit.	√			Previously with South Tyneside Council
Does the HIA understand and have experience of strategic objective setting and management.	√			Experience of development of service plans and performance management frameworks. Previously involved in strategic financial planning.
Does the HIA understand the internal audit and regulatory environment applicable to public service organisations.	√			
Does the HIA demonstrate a comprehensive understanding of governance, risk management and internal control.	√			
Does the HIA undertake appropriate development or obtain relevant experience as appropriate in order to demonstrate an understanding of the full range of the organisation's activities and processes.	√			Training as and when required. Access to internal reports eg cabinet papers, CMT actions logs. Assurance mapping exercise and general networking of audit and risk staff.