

Applicability of non-mandatory material to the UK Public Sector

November 2019

Internal auditing in the UK public sector is generally required to be carried out in accordance with UK Public Sector Internal Auditing Standards (PSIAS) which are based on the mandatory elements of the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA), as interpreted and adapted for the UK Public Sector by the UK Public Sector Internal Auditing Standards Advisory Board (IASAB)

IASAB also periodically review the applicability of non-mandatory material to the UK public sector, and this document summarises the results of their review of Implementation Guidance relating to IIA standards, and related Supplemental Guidance.

IIA non-mandatory pronouncements may be:

- FULLY recommended as being applicable in the UK public sector
- Recommended EXCEPT FOR *[specified sections]* of the guidance which are not applicable
- Recommended PLUS *[additional material]* should be considered in UK public sector work
- NOT RECOMMENDED as being applicable in the UK public sector
- Recommended for WIDER READING

At present all IIA Implementation Guidance is either directly applicable in the UK public sector ('FULLY recommended'), or is applicable when considered together with other material in the PSIAS or other mandatory material ('Recommended PLUS').

There are no matters which have been excluded as not applicable.

Non-mandatory guidance can be accessed from the Institute of Internal Auditors website at:

na.theiia.org/standards-guidance/recommended-guidance/Pages/Strongly-Recommended-Guidance.aspx

Pronouncement	Subject Matter	IASAB view on applicability	Additional matter
IG1000	Purpose, Authority, and Responsibility	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG1010	Recognizing Mandatory Guidance in the Internal Audit Charter	Recommended PLUS	Reference should be made to the PSIAS, Other sectoral mandatory guidance.
Supplemental Guidance	Model Internal Audit Activity Charter	Recommended PLUS	Other content required by PSIAS, including but not limited to the Public Sector Requirement in PSIAS 1000.
IG1100	Independence and Objectivity	Recommended PLUS	Matters described for IG1110 to IG1130
IG1110	Organizational Independence	Recommended PLUS	Public Sector Requirement, Public Sector Interpretation, Other sectoral mandatory guidance.
IG1111	Direct Interaction with the Board	FULLY recommended	
IG1112	Chief Audit Executive Roles Beyond Internal Auditing	Recommended PLUS	Public Sector Interpretation
IG1120	Individual Objectivity	FULLY recommended	
IG1130	Impairment to Independence or Objectivity	Recommended PLUS	Public Sector Requirement. Practitioners who belong to IFAC member bodies should also refer to those bodies' Code of Ethics.
IG1200	Proficiency and Due Professional Care	Recommended PLUS	Matters described for IG1210 to IG1230
IG1210	Proficiency	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG1220	Due Professional Care	FULLY recommended	

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IG1230	Continuing Professional Development	FULLY recommended	
IG1300	Quality Assurance and Improvement Program	Recommended PLUS	Matters described for IG1310 to IG1322
IG1310	Requirements of the Quality Assurance and Improvement Program	FULLY recommended	
IG1311	Internal Assessments	FULLY recommended	
IG1312	External Assessments	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG 1320	Reporting on the Quality Assurance and Improvement Program	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG1321	Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing"	FULLY recommended	
IG 1322	Disclosure of Nonconformance	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2000	Managing the Internal Audit Activity	Recommended PLUS	Matters described for IG2010 to IG2070
IG2010	Planning	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2020	Communication and Approval	FULLY recommended	
IG2030	Resource Management	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2040	Policies and Procedures	FULLY recommended	

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IG2050	Coordination and Reliance	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2060	Reporting to Senior Management and the Board	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2070	External Service Provider and Organizational Responsibility for Internal Auditing	FULLY recommended	
IG2100	Nature of Work	Recommended PLUS	Legislation and frameworks relevant to UK public sector organisations, such as the IFAC/CIPFA International Framework <i>Good Governance in the Public Sector</i> , and <i>The Seven Principles of Public Life</i> (the 'Nolan Principles')
IG2110	Governance	FULLY recommended	
IG2120	Risk Management	FULLY recommended	
IG2130	Control	FULLY recommended	
IG2200	Engagement Planning	Recommended PLUS	Matters described for IG2201 to IG2240
IG2201	Planning Considerations	FULLY recommended	
IG2210	Engagement Objectives	Recommended PLUS	Public Sector Interpretation, Other sectoral mandatory guidance
IG2220	Engagement Scope	FULLY recommended	
IG2230	Engagement Resource Allocation	FULLY recommended	
IG2240	Engagement Work Program	FULLY recommended	
IG2300	Performing the Engagement	FULLY recommended	
IG2310	Identifying Information	FULLY recommended	
IG2320	Analysis and Evaluation	FULLY recommended	

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IG2330	Documenting Information	FULLY recommended	
IG2340	Engagement Supervision	FULLY recommended	
IG2400	Communicating Results	Recommended PLUS	Matters described for IG2410 to IG2450
IG2410	Criteria for Communicating	FULLY recommended	
IG2420	Quality of Communications	FULLY recommended	
IG2421	Errors and Omissions	FULLY recommended	
IG2430	Use of "Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing"	Recommended PLUS	Needs to be interpreted in light of Public Sector Requirement in PSIAS 2450
IG2431	Engagement Disclosure of Nonconformance	Recommended PLUS	Needs to be interpreted in light of Public Sector Requirement in PSIAS 2450
IG2440	Disseminating Results	FULLY recommended	
IG2450	Overall Opinion	Recommended PLUS	Public Sector Requirement, Other sectoral mandatory guidance.
IG2500	Monitoring Progress	FULLY recommended	
IG2600	Communicating the Acceptance of Risks	FULLY recommended	

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Code of Ethics Principle 1	Integrity	Recommended PLUS	The IIA Implementation Guides include commentary on enforcement of the Code of Ethics to IIA members in line with IIA bylaws.
Code of Ethics Principle 2	Objectivity		The PSIAS apply to internal auditors who may be members of other professional bodies, or who may not be professionally qualified. The PSIAS also include a Public Sector Requirement for individual internal auditors to follow the relevant requirements of all professional bodies to which they belong.
Code of Ethics Principle 3	Confidentiality		
Code of Ethics Principle 4	Competency		The disciplinary measures which apply where ethical requirements are not followed may therefore be administered by another professional body or by an employing organisation.

Pronouncement	Subject Matter	IASAB view on applicability	Additional matter
Practice Guide	Demonstrating the Core Principles for the Professional Practice of Internal Auditing	Recommended	
Practice Guide	Unique Aspects of Internal Auditing in the Public Sector	Recommended PLUS	UK public sector internal auditors should note that this document provides a perspective on internal audit in a wide variety of international jurisdictions and describes situations not all of which apply in the UK public sector.