

# Timeframes for the implementation of the Global Internal Audit Standards (GIAS) and the Application Note, GIAS in the UK Public Sector

## Changes impacting on your internal audit service

This session will help heads of internal audit and members of the audit management team understand the changes to internal audit standards and the transition your team will be making at various points during the next year.

## What's changing and when?

From 1 April 2025 internal audit teams in the public sector will be working to new internal audit standards. These will be a combination of the Global Internal Audit Standards (GIAS) and the [Application Note, Global Internal Audit Standards in the UK Public Sector](#). The consultation on the Application Note closed at the end of October, and the final version is [now available](#). For local government bodies the Code of Practice on the Governance of Internal Audit should be used to guide interpretation of the essential conditions in Domain III. The consultation closed at the end of November and the final version will be published in January.

The 1 April is the effective date for the new standards. Internal audit teams will not be expected to demonstrate full conformance on this date. They must work in accordance with the new standards from this date and by doing so they will build up their conformance.

## How significant a change is this?

It is a significant change that will mean internal audit teams must update their charter and audit manual to reflect the new standards. They will also need to provide training to team members. They will need to review their working practices to make sure they comply with the standards or have an action plan to achieve that compliance.

While much of the day-to-day practice of undertaking audit engagements will not change, the team will need to make sure those engagements fulfil the new standards. Reports, plans and charters will need to be updated to reflect the standards.

## Do the standards expect more from the team?

An internal audit team that fully conforms with the current standards (the Public Sector Internal Audit Standards or PSIAS) should have most of the practices it needs. There are some additional requirements, and the Application Note should help with those. But time will still be needed to make the transition and build familiarity.

## Timetable for the implementation of the new standards:

The timetable, detailed below, is for audit teams. Depending on the extent to which your audit committee and senior management can meet the Code, there might need to be actions for them too. CIPFA will provide more support on this aspect of transition when the final version of the Code of Practice is published in January.

When planning the transition to the new standards, the following table flags key steps to take. Some changes need to be put in place ready for 1 April, others will be implemented during the year or at the year end. Its focus is on new requirements or key changes rather than covering every audit task.

Some steps will be one-off tasks, such as updating methodologies / audit manuals. Others will be iterative or responsive to changing circumstances, for example audit planning or considerations of resourcing.

At this point, reference to the Code of Practice for the Governance of Internal Audit in UK Local Government (The Code) are to the draft code.

## Key tasks to be carried out as soon as possible:

Key Task	More detail on requirement	Relevant standards	Evidence of conformance *
Communicate the new standards and the changes for audit teams	The audit committee and the senior management team (SMT) need to have: <ul style="list-style-type: none"><li>• A general understanding of the new audit standards and what is required.</li><li>• Internal audit's transition plans and any concerns.</li></ul> A more detailed focus on Domain III essential conditions or the CIPFA Code of Practice.	n/a	Audit Committee agenda/minutes

Training	Produce a training log for IA team  See also * below for more details on training.	<b>Application Note: Handling Information Para</b>  GIAS (Throughout domain I, II and V)	Training plans/ Training records
Audit Mandate and Charter	Discuss the audit mandate and charter with SMT - to include what SMT expectations are which should be considered for inclusion in the charter. Gain formal approval for the new Mandate and Charter from the audit committee before or soon after 1 April.	<b>CIPFA Code 1.2</b>  GIAS Principle 6	Minutes from meeting/ approved charter.

### Get ready for the implementation date of 01 April 2025:

Key Task	More detail on requirement	Relevant standards	Evidence of conformance *
Audit methodologies and working practices	The chief audit executive's documentation of the methodologies (policies, processes, and procedures) to guide and direct internal auditors within the internal audit function)	GIAS Principle 9	Audit Manual citing the standards/ documented quality review that shows methodologies that are followed.
Update staff performance assessment	In line with training requirements to evidence staff displayed the competencies required by the standards	GIAS Principles 1, 4, 9 & 11	Staff performance assessment
Update Post Audit Client Questionnaire	In line with training requirements to evidence staff displayed the competencies required by the standards	GIAS Principles 1,4,9 & 11	Post Audit Client Questionnaire
(New) Internal Audit Strategy approval from Audit Committee (Principle 9)	GIAS Standard 9.2 requires an internal audit strategy. This is new, but the service should be able to build on the existing requirement in PSIAS (2010 Planning) for a strategic statement of how the service will be delivered and developed.	<b>GIAS Principle 9</b>	Documented IA strategy including vision, strategic objectives and supporting initiatives/ Minutes from SMT/ AC
Audit Planning Process	Discuss priorities with senior management and agree your audit plan prior to taking it to your	GIAS Principle 9 (Plan Strategically)	AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC

	audit committee. Build on your existing planning processes to include any new requirements in Principle 9.		
Resources	Discuss IA resource requirement with the Audit Committee/ SMT	Application Note: Resource Section CIPFA Code GIAS Principle 8	Document IA plan against budget, forecast and actual expenditure / minutes of meeting with HOA/SMT and AC. /Minutes from AC discussing IA budget and approval
Audit Pan	CAE must create an Internal Audit Plan that supports the achievement of the organisation's objectives which must be approved by the audit committee during Q1 meeting. Many teams already demonstrate that link.	GIAS Principles 6, 8 & 9	Approved audit plan/document risk assessment and how if fed into the plan/ details of who the plan was distributed to/ Minutes from AC or SMT

### First Quarter of 2025/26:

Key Task	More detail on requirement	Relevant standards for more information.	Evidence of conformance *
Audit Charter/ Audit Mandate (New) and get Audit Committee approval	The HOA has a responsibility to prepare a charter that conforms with GIAS (UK public sector). When reviewing the charter, the audit committee should be satisfied that it covers the governance arrangements for internal audit. It must include the mandate derived from the regulations, plus any additional agreed mandate, and include internal audit's reporting line to the audit committee.	CIPFA: 1.1 CIPFA: 1.2 CIPFA 1.3 CIPFA 3.1 GIAS: Principle 6	Minutes from Audit Committee/ Approved charter including date of approval. Audit Mandate being included in the charter.
Independence	Discuss impairments of independence at the start of the year and update the AC should that change throughout the year	CIPFA Code GIAS Principle 7&8	AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC
Coordination and reliance – assurance providers.	Identification of other assurance providers where internal audit will be relying on their work to provide assurance. (If cannot do this must discuss with Audit Committee and SMT)	Application Note – Role of Regulators GIAS Principle 9	Assurance map / evidence of communications/ minutes from AC and SMT/ Documented agreements with other assurance providers confirming specifications of the assurance work they perform
Agree performance objectives for internal	Discuss with Audit Committee the quality assurance and improvement program as well as	GIAS Principle 8	

audit (follows on from strategy and plan)	the internal audit function's performance objectives at least annually.		
Update the engagement report template (Principles 11 & 15)	To include details such as the root cause analysis as well as new requirements from 2025 - <ul style="list-style-type: none"> <li>Final communication must include person responsible for addressing findings and the dates actions should be completed</li> </ul> All actions completed during the reporting process must be updated to show completed.	GIAS Principles 11&15	

Work that needs to take place ongoing throughout 2025/26

Key Tasks	More detail on requirement	Relevant standards	Evidence of conformance *
Quality Assessment	CAE to produce an assessment of conformance against GIAS (UK Public Sector) There should be some monitoring during the year from the Audit Committee. At the end of the year, a formal review of the annual report/ annual conclusion.	<b>CIPFA: 3.3</b>  Application notes  GIAS Principle 12	Minutes of review of HOA assessment of conformance against GIAS (UK Public Sector)/ HOA annual report to AC minutes evidencing that/
Training	**See Training that needs to be delivered throughout the year below.	**See training section below.  Application Note: Handling Information Para  GIAS (Throughout domain I, II and V)	Training plans/ Training records
CAE to review all final communications before it is issued (this can be delegated as detailed in 11.3)	Internal auditors must ensure the final communication is reviewed and approved by the chief audit executive (or suitable delegated management) before it is issued.	GIAS Principle 15	Documentation indicating that the final communication was reviewed and approved.
Supervision of engagements and quality monitoring	Staff to carry out audit work and report on findings. Audit Management to	GIAS 12.3	Engagement evaluations

(Principle 12)	ensure that the engagements are carried out in line with the GIAS. This is likely to be a similar process to what already happens.		
Report on engagements to client/ management upon completion		GIAS 15.1	Final engagement comms
Report on progress of audit plan to the audit committee periodically. Also detailing whether there are adequate resources to deliver the plan (Code, Application Note, Principle 8)	Communicate progress of audit plan and changes to the audit committee as well as whether there are adequate resources to deliver the plan in line with Principle 8 of the GIAS.	CIPFA code 3.1/ 3.2 Application Note – Resource Section GIAS Principles 6,8 & 9	AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC Concerns with resourcing to be formally recorded in email/ report to AC/ Minutes from meeting
Report on progress of audit plan to AC quarterly as well as whether there are adequate resources to deliver the plan	Communicate progress of audit plan and changes with AC as well as whether there are adequate resources to deliver the plan	CIPFA code 3.1/ 3.2 Application Note – Resource Section GIAS 8.1/ 6.3/9.4	AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC Concerns with resourcing to be formally recorded in email/ report to AC/ Minutes from meeting
Independence	Discuss impairments of independence at the start of the year and update the audit committee should that change during the year	CIPFA Code GIAS Principle 7	Internal audit charter, which documents the IA function and reporting relationships, Meeting minutes demonstrating CAE direct comms with Audit Committee and Senior Management regarding impairments. Audit Committee meeting minutes.
Audit committee support	If you do not already do so, schedule periodic private meetings with the audit committee.	GIAS Principle 6	Documentation from meetings with the audit committee including any follow up documentation (as appropriate)/ Minutes or other documentation of communication between the audit committee and senior management in which the internal audit function's unrestricted access was discussed

Work that needs to take place at year end/ April 2026

Ongoing throughout 2025/26	More detail on requirement	Relevant standards	Evidence of conformance *
Quality Assessment Quality Improvement Program	Application note: The chief audit executive must also report annually on the results of quality assessment carried out under GIAS 12.1 (Internal Quality Assessment), including progress against action plans to address instances of non-conformance. Discuss results from Quality improvement program with Audit Committee	(Application Note, Code & Principles 8 & 12) <b>GIAS</b> 8.1/8.3/8.4 12.1/12.2	Minutes of review of HOA assessment of conformance against GIAS (UK Public Sector)/ HOA annual report to AC minutes evidencing that/ AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC
Annual Conclusion	Annual Conclusion on governance, risk management and control Application note: The requirement for an overall conclusion must also inform planning carried out under GIAS 9.4 (Internal Audit Plan). The requirement for an annual conclusion does not imply that planning needs to follow an annual cycle, but where planning is carried out in other timeframes it must still be clear to senior management and the board that this supports an annual conclusion.	CIPFA code 3.1  Application Note – Overall Conclusion Para  GIAS 8.3 /9.4/11.3	AC agenda/ minutes. / copy of the report /Quality assurance and improvement program workpapers or other evidence demonstrating the completion of related activities  Report from HOA/AC minutes
Report on final progress of audit plan to AC at year end (Code, Standard 8)	Communicate progress of audit plan and changes with AC as well as whether there are adequate resources to deliver the plan. This will feed into the audit strategy and planning for 2026/27 onwards.	<b>CIPFA code 3.1/ 3.2</b>  Application Note – Resource Section  GIAS Principles 6, 8 & 9	AC Agenda/ minutes / presentations by HOA to AC/ IA comms to AC  Concerns with resourcing to be formally recorded in email/ report to AC/ Minutes from meeting

(\*) Evidence of conformance

Evidence of conformance has been extracted from the GIAS, where several different forms of evidence have been stated we have included the most relevant/ significant evidence.

(\*\*) Training that needs to be delivered throughout the year:

Although a lot of the methodologies within the GIAS remain the same, training is a common theme throughout. The accompanying guidance does not detail the frequency but does detail how it can be evidenced within training plans, therefore we would interpret

that it is an annual exercise and would suggest that as the new standards are being implemented the training is provided as early in the year as possible. Training can involve reading periodicals, training materials and the relevant audit standards. As well as attending training/ CPD events. It could also be from updates/ presentations held within team meetings. However you decide to conduct your team's training, ensure it can be evidenced on the training log.

1.1 Honesty and Professional Courage

1.3 Legal and Ethical Behaviour

2.1 Individual Objectivity

2.2 Safeguarding Objectivity

3.1 Competency

3.2 CPD

4.2 Due Professional Care

4.3 Professional Scepticism

5.1 Maintain confidentiality

9.1 Understanding Governance, Risk management and Control processes

9.3 Methodologies

11.2 Effective Communications