

**Health Professions Council  
Finance & Resources Committee 29<sup>th</sup> July 2005**

**APPOINTMENT OF INTERNAL AUDITORS**

**Introduction**

The Finance and Resources Committee is being asked to authorise the process for identifying an internal auditor for the Health Professions Council, so that a recommendation for the appointment of an internal auditor may be made by the Committee to the Council at its next meeting, on 13th September 2005.

In the past both the external and internal audits of HPC have been conducted by the same firm of accountants, but it is now suggested that the internal audit is conducted by a different firm from that which acts as HPC's external auditors.

As Committee members will be aware, the purpose of the internal audit is to help evaluate the adequacy and effectiveness of the corporate control framework, identify ways of improving the manner in which the organisation runs its internal business and to ensure that internal financial systems are safe and secure.

Article 46(3) of the Health Professions Order 2001 requires that the persons appointed as HPC's external auditors must be authorised company auditors and it is recommended that the internal auditors should be similarly qualified.

**Process**

It is proposed that a shortlist of potential internal auditors is drawn up by the Executive and that the final recommendation to the Council on behalf of the Committee is made by a selection panel comprising:

- The HPC President;
- The Chairman of the Finance and Resources Committee; and
- One other member of the Committee.

**Decision**

The Committee is asked to agree:

**THAT The Committee delegate the recommendation to the Council of the persons to be appointed as HPC's internal auditors to the Chairman and one other member of the Committee, acting in conjunction with the President of HPC.**

**Background information**

None

**Resource implications**

None

**Financial implications**

None, as the professional fees incurred for separate internal and external audit are expected to be similar to the overall fees incurred under the existing audit arrangements.

**Background papers**

None

**Appendices**

None

**Date of paper**

22<sup>nd</sup> July 2005