



National Audit Office

APPOINTMENT OF CHAIR

APPOINTMENT BRIEF

FEBRUARY 2020

INTRODUCTION FROM THE CHAIR

Dear candidate,

Thank you for your interest in the post of Chair of the National Audit Office.

The successful candidate will be appointed for a term of three years renewable once. During that time the Chair will lead and provide direction to the Board of the National Audit Office (NAO). The Chair sets the agenda for the work of the Board and leads the non-executive members in providing constructive challenge and support to the Comptroller and Auditor General (C&AG) and the NAO's executive management.

This is an extraordinarily interesting time to be part of the NAO, the UK's public spending watchdog. Following the appointment of Gareth Davies as C&AG in June 2019, the office has embarked on a far-reaching strategic review. The new 5-year strategy for the NAO will be launched in April 2020. It will articulate how the NAO can best support Parliament in scrutinising government's performance and how the NAO will help improve public services through its high quality and independent audits.

The strategy will respond to the government's public spending priorities and the value for money challenges it faces in responding to climate change; the UK's new relationships outside the EU; demographic pressures on public services; and ambitious infrastructure plans. The NAO plays a crucial part in providing oversight of government activity in all these areas and occupies a uniquely important place in our Parliamentary democracy.

The accompanying materials provide information on the role and the areas of expertise and experience that we will be looking for. We are looking for someone who has an excellent understanding of public finances, the role of public audit and the C&AG's unique statutory position in the UK coupled with strong leadership skills and experience of operating at senior board level.

The recruitment board would urge candidates from a wide range of backgrounds to apply for this exciting, high profile and demanding role.

Chair of the Committee of Public Accounts

Chair of recruitment Panel

BACKGROUND TO THE NATIONAL AUDIT OFFICE

The National Audit Office (NAO) scrutinises public spending for Parliament. It helps Parliament to hold government to account for spending public money. In so doing, the NAO challenges the public sector to improve how it spends money and runs public services.

The NAO supports the Comptroller and Auditor General (C&AG) in his role as the statutory auditor of government departments, the BBC and a wide range of other public bodies, reporting directly to Parliament. Not only does the NAO provide financial audits of the accounts of departments and other public bodies, but it also provides examinations into the economy, efficiency and effectiveness with which departments and public bodies have used their resources in discharging their functions. The NAO has wide-ranging rights of access to public sector information, and the protection and support of Parliament in forming and communicating independent audit judgements.

By using these rights, the NAO aims to serve Parliament and taxpayers by working across the public sector and beyond organisational boundaries to provide an accurate, broad and deep understanding of the challenges facing the public sector. The NAO and the Comptroller and Auditor General are statutorily independent, and this ensures NAO's work serves the public interest.

The NAO wants to help make public services better. It helps public servants identify good practice, helps Parliament to improve its understanding of the practical effects of policy, and helps government draw better connections between its decisions.

More information on the role of the NAO is available on our website and in this short introduction to the NAO <https://www.nao.org.uk/wp-content/uploads/2019/06/An-Introduction-to-the-National-Audit-Office.pdf>

THE ROLE - CHAIR

PURPOSE OF POST

The NAO's governance arrangements are established under the Budget Responsibility and National Audit Act 2011. The Board has a majority of non-executive members and is an effective and established part of the NAO's governance. The term of office of the current Chair, Lord Michael Bichard, will come to an end in January 2021, and Parliament is seeking to appoint his successor.

The NAO is an organisation of some 800 people based in offices in London and Newcastle., which supports the Comptroller and Auditor General (C&AG), Gareth Davies. The C&AG, the head of the NAO, is independent of the executive and has complete discretion in the exercise of his statutory duties.

The C&AG has sole responsibility for the NAO's statutory audit work, including all audit judgements. He is responsible for agreeing the programme of audit including all value for money studies and other reports. The Board does not play a role in the NAO's statutory audit work.

The role of the NAO Board is to provide effective support and challenge in improving the NAO's operations, providing additional rigour and discipline in decision making and bringing insight from the wider experience of the non-executives to inform and shape the strategic thinking of the NAO. It is responsible for:

- Promoting the highest standards of governance in the management of the operations of the NAO.
- Agreeing and jointly presenting the strategy and budget for the NAO with the Comptroller & Auditor General.
- Ensuring that the NAO functions effectively, creating an environment in which the C&AG can discharge his statutory responsibilities.
- Providing oversight of the NAO's use of resources, providing challenge and advice to the decision-making process.
- Providing support and advice to the C&AG in the exercise of his duties and bring an independence of thought, informed by non-executive members' experience outside the NAO.

KEY RESPONSIBILITIES

This is an important role within a high-profile organisation, with responsibility for providing leadership and direction to the Board as a whole. The Chair sets the agenda for the work of the Board and leads the non-executive members in providing constructive challenge and support to the executive management and the C&AG. The Board holds the executive management to account.

The Chair will ensure that the NAO meets the requirements of the Budget Responsibility and National Audit Act, and the Board's own Code of Practice (a document agreed by the Public Accounts Commission which sets out how the Board will work with the C&AG). Specific responsibilities are:

- Submitting the NAO strategy and budget, jointly with the C&AG, to the Public Accounts Commission.
- Establishing a strong working relationship with the C&AG, providing support and advice as appropriate. To enable this, the Chair will need to have a good understanding of the C&AG's statutory responsibilities to deliver independent audit judgements to Parliament, in addition to the C&AG's responsibilities as Accounting Officer for the NAO.
- Promoting the highest standards of governance within the NAO, ensuring it is consistent with statutory requirements and best practice.
- Leading and guiding the NAO Board in setting its objectives annually and agreeing a comprehensive Board agenda.
- Managing the Board to ensure that sufficient time is allowed for discussion of complex and strategic issues as well as meeting requirements for formal and transactional business.
- Nominating non-executive members of the Board for appointment by the Public Accounts Commission.
- Appointing the Chairs of the Board's committees.
- Ensuring that the Board's performance against its objectives is assessed annually and provide feedback to individual board members on their performance.

PERSON SPECIFICATION

Your application will be assessed on the basis of the evidence you provide. This should include specific examples of proven experience of the criteria for selection set out below:

Essential

- An excellent understanding of public finances and the role of public audit and the C&AG's unique and independent statutory position in the UK.
- Political astuteness, with an awareness of the workings of both local and national government and Parliament and the context of the NAO's work and Parliamentary accountability.
- Strong leadership skills, with experience of operating at board level, and ideally with experience of leading boards including working with non-executive and executive directors.
- Strong intellect, sound judgement, common sense and diplomacy
- Good knowledge of corporate governance, an understanding of the context in which the NAO operates and best practice in other sectors.
- Ability to help shape strategy, develop robust governance arrangements and monitor performance.
- A track record in strategic management, with experience of having led large and complex public or private sector organisations.

Desirable

- Successful track record of board level leadership in the private, public or third sectors, either in the UK or overseas, or both.

The following criteria will be explored further at interview – they need not be directly addressed in your written application:

- Excellent communication, influencing and relationship management skills.
- High levels of probity and integrity.
- Working style, wisdom and suitability for non-executive work, including time commitment.

TERMS OF APPOINTMENT

The appointment, which is subject to confirmation by Parliament and HM the Queen, would be made for a term of three years. The appointment is renewable for a further final three years subject to confirmation by Parliament and HM the Queen.

The expected time commitment for the post, which will be appropriately remunerated, is expected to be up to a day a week. The role is not eligible for a pension.

APPOINTMENTS PROCESS

The selection panel will be chaired by the Chair of the Committee of Public Accounts,, and will also include Sarah Davies, Clerk Assistant of the Commons, Sir Tom Scholar, Permanent Secretary HM Treasury, and Caroline Gardner, Auditor General Scotland. The panel will interview shortlisted candidates and agree the individual to be proposed for appointment.

The appointment will be made by HM the Queen under letters patent, upon a Humble Address of the House of Commons. The Prime Minister moves the Motion on the floor of the House of Commons and in doing so must have the support of the Chair of the Committee of Public Accounts. This ensures that the appointment is independent of the NAO's executive management, and that the chosen candidate has the support of both the legislative and executive branches.

It is expected that the chosen candidate will be identified in Spring 2020.

Key dates in the process are as follows:

- April 2020 – Interviews
- May -December 2020 – Parliamentary process and formalization of appointment including debate in the House of Commons on a Motion proposed by the Prime Minister and issuing of letters patent by HM the Queen
- 10 January 2021 – New Chair takes up office

CONFLICTS OF INTEREST

It is essential that the NAO upholds, and is seen to uphold, the highest standards of propriety in its governance. Given the nature of the C&AG's role and the work of the NAO, it is important that the Chair is free of any conflicts of interest, actual or perceived. The successful candidate would not be able to continue to hold an executive or non-executive position with any organisation subject to audit by the NAO.

01 HOW TO APPLY

Saxton Bampfylde Ltd is acting as an employment agency advisor to Parliament on this appointment.

Candidates should apply for this role through our website at www.saxbam.com/appointments using code **QAJXG**.

Click on the '**apply**' button and follow the instructions to upload:

- CV
- Supporting statement
- Two referees
- Completed political activity questionnaire
- And a completed equal opportunities monitoring* form.

The closing date for applications is noon on **March 8, 2020**.

** The equal opportunities monitoring online form will not be shared with anyone involved in assessing your application. Please complete as part of the application process.*