

---

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order makes the Comptroller and Auditor General the auditor of the accounts of the bodies listed in Schedule 1. For NHS Professionals Special Health Authority and NHSU this audit arrangement applies to the accounts for a financial year ending on or after 31st March 2004. In the case of NHS Direct and NHS Pensions Agency this audit arrangement will apply to the accounts for a financial year ending on or after 31st March 2005. Without this Order, the Audit Commission would appoint the auditor of these bodies under section 98 of the National Health Service Act 1977 (1977 c. 49) and under section 2 of the Audit Commission Act 1998 (1998 c. 18). This Order also makes consequential amendments to existing legislation.

A body whose accounts are required by this Order to be audited by the Comptroller and Auditor General is required, by section 98(1C) of the National Health Service Act 1977 as amended by this Order, to lay its accounts before Parliament together with the Comptroller and Auditor General's report on the accounts.

NHSU was established by the NHSU (Establishment and Constitution) Order 2003 (S.I. 2003/2772); NHS Pensions Agency was established by the NHS Pensions Agency (Asiantaeth Pensiynau'r GIG) (Establishment and Constitution) Order 2004 (S.I. 2004/667); NHS Professionals Special Health Authority was established by NHS Professionals Special Health Authority (Establishment and Constitution) Order 2003 (S.I. 2003/3059); and NHS Direct was established by the NHS Direct (Establishment and Constitution) Order 2004 (S.I. 2004/569).

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business.