
EXPLANATORY NOTE

(This note is not part of the Regulations)

The general effect of the provisions of the Public Audit (Wales) Act 2004 (“the Act”) is to confer a number of new functions on the Auditor General for Wales. The most significant effect of the new functions is that the Auditor General will, from the coming into force of this Order, exercise most of the functions currently exercised in Wales by the Audit Commission for Local Authorities and the National Health Service in England and Wales (“the Audit Commission”).

The amendments made by these Regulations are consequential upon that change. They amend five sets of Regulations in the education field, two sets relating to the National Health Service, and two in the local government field.

In the field of education, regulations 3, 8, 9 and 10 amend the requirements, laid down in the subordinate legislation amended, for the certification of grants. In each case, the amendments provide that, in relation to Wales, certification is henceforward to be done by an auditor appointed by the Auditor General for Wales (rather than by the Audit Commission), or an auditor qualified for such appointment.

The remaining provision concerning the education field, regulation 5, provides that reports of inspections of local education authorities in Wales carried out under section 38 of the Education Act 1997 (as amended) are to be sent to the Auditor General for Wales, rather than to the Audit Commission.

Regulations 2 and 6 deal with matters related to the National Health Service.

Regulation 2 concerns the circumstances in which a National Health Service trust in Wales must hold a public meeting. It maintains the position that a meeting must be held where a National Health Service trust receives a public interest report from its auditor. As a consequence of the Act, such reports will, from 1 April 2005, be made by the Auditor General for Wales, rather than the Audit Commission. The amendments made by regulation 2 reflect this.

Regulation 6 provides that, where National Health Service bodies and local authorities in Wales enter into pooled fund arrangements under the National Health Service Bodies and Local Authorities Partnership Arrangements (Wales) Regulations 2000, the accounts of the pooled fund should be audited by the Auditor General for Wales, instead of the Audit Commission.

Amendments to subordinate legislation in the field of local government are made by regulations 4 and 7.

Regulation 4 amends the definition of “the auditor” in the Local Authorities (Contracts) Regulations 1997. The effect of the amendment is that, for bodies which are local authorities for the purposes of those Regulations, and are also local government bodies in Wales for the purposes of section 12 of the Act, “the auditor” means the auditor appointed by the Auditor General for Wales under section 13 of the Act. This impacts on the requirements which certain of those local authorities must fulfil in order for a contract into which they enter to be a certified contract under the Local Government (Contracts) Act 1997.

Regulation 7 adds the Auditor General for Wales to the list of persons to whom local authority monitoring officers are allowed to disclose information for certain purposes, under the Local Government Investigations (Functions of Monitoring Officers and Standards Committees) (Wales) Regulations 2001.

Changes to legislation:

There are currently no known outstanding effects for the The Public Audit (Wales) Act 2004 (Consequential Amendments) (Wales) Regulations 2005.