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# Assembly's Audit Committee and its GB counterparts: A comparative perspective

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This Briefing Paper, commissioned by the Assembly's Audit Committee (the Committee), provides comparative research on the Committee and its counterparts located in Great Britain (GB). The Paper explains key roles and responsibilities of each; and for context provides an explanation of the relationship with each jurisdiction's government audit office, including roles, responsibilities, governance arrangements and work programmes in recent years. This is followed by comparative tables based on the two previous sections, for the Committee's ease of reference.

**This information is provided to MLAs in support of their Assembly duties, and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as professional legal advice or as a substitute for it.**

## Introduction

The Assembly's Audit Committee commissioned the Research and Information Service (RaISe), to compile comparative research on legislative audit committees in the United Kingdom (UK), at both national and regional levels. This Briefing Paper outlines RaISe's findings, to help inform the Committee's forward work planning for the remainder of this mandate.

For context, Section 1 rehearses the Assembly Audit Committee's key roles and responsibilities, including its oversight function of non-ministerial bodies. Included for context is a basic overview of the Northern Ireland Audit Office (NIAO), one of the non-departmental bodies overseen by the Committee. It provides an overview of its roles, responsibilities and governance arrangements, including the role of the Comptroller and Auditor General of Northern Ireland (C&AGNI), as "corporation sole", and an explanation of how the C&AGNI's salary is determined.

Thereafter, Section 2 provides a comparative perspective of the Committee's counterparts in Great Britain (GB) - centrally in Westminster and regionally in the Scottish Parliament and the Welsh Assembly, using the same order of presentation as in Section 1. In addition, each subsection highlights examples from the recent work programmes of each counterpart, including inquiries and activities undertaken and reports issued. This information seeks to support Assembly Audit Committee deliberations on its future work plans.

In closing, for the Committee's ease of reference when making comparisons across the jurisdictions, Section 3 provides two comparative tables drawing on the two previous sections. The first concerns the Committee and its GB counterpart commissions and committee; the second addresses audit offices and the heads of those offices across the UK. The Committee may wish to seek legal guidance regarding the governance distinctions highlighted in the second table, as such advice goes beyond the scope of this briefing, but would serve to enhance the Committee's understanding in this area.

# 1 Assembly's Audit Committee – an overview

## 1.1 Committee - Roles and responsibilities

The Audit Committee is a Standing Committee of the Assembly; established in accordance with Section 66 of the Northern Ireland Act 1998<sup>1</sup> and Assembly Standing Order 58<sup>2</sup>. It has 5 members, including a Chairperson and Deputy Chairperson, and requires a quorum of 2 to meet.

While the role of a Statutory Committee is to advise, assist and scrutinise Ministers and their Departments; Standing Committees instead undertake specific roles. In the context of the Audit Committee, which is a Standing Committee, it is to:

- Exercise the functions mentioned in Section 66(1) of the Northern Ireland Act 1998<sup>3</sup>, i.e. agrees, in place of the Department of Finance (DoF), the estimates of the Northern Ireland Audit Office (NIAO), and lays them before the Assembly;
- Is responsible for tabling a motion for a resolution of the Assembly relating to the C&AGNI salary payable under Article 4(1) of the Audit (Northern Ireland) Order 1987<sup>4</sup>;
- Exercises the functions mentioned in sub-paragraphs 18 (2) and (4) of Schedule 1 to the Public Services Ombudsman Act (Northern Ireland) 2016<sup>5</sup>, in respect of the Northern Ireland Public Services Ombudsman (NIPSO), i.e. agree the estimates of the Northern Ireland Public Services Ombudsman (NIPSO), and lays them before the Assembly; and,
- May exercise the power in Section 44 (1) of the Northern Ireland Act 1998<sup>6</sup>, which is the power to call for witnesses and documents.

The Committee's Chairperson also has a lead role in the recruitment of the C&AGNI.

In 2016, the Northern Ireland Assembly Commission (NIAC) and the DoF sought to reflect the constitutional independence of the Assembly from the Executive. This led to a protocol for setting the NIAC's budget, including the underlying methodology. That methodology sets out an approach that is akin to the approach adopted for the NIAO and the NIPSO; i.e. the Audit Committee provides scrutiny and challenge to the NIAC's expenditure plans, and reports accordingly, in recognition of the NIAC's independence. It fulfils this role in place of the DoF.

## 1.2 NIAO - Roles, responsibilities and governance arrangements

The NIAO, which is independent of government, seeks to hold public bodies to account for the way they use public money. As highlighted in the NIAO Annual Report and Accounts 2018-19:

*The NIAO...has a pivotal role in helping to build a modern, high performing public service that is accountable to taxpayers and citizens<sup>7</sup>, and this is achieved by, providing objective information, advice and assurance on how public funds have been used and accounted for, and encouraging best standards in financial management, good governance and propriety in the conduct of public business.<sup>8</sup>*

<sup>1</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/66>

<sup>2</sup> <http://www.niassembly.gov.uk/assembly-business/standing-orders/standing-orders/#a58>

<sup>3</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/66>

<sup>4</sup> <http://www.legislation.gov.uk/nisi/1987/460/article/4>

<sup>5</sup> <http://www.legislation.gov.uk/niu/2016/4/schedule/1/enacted>

<sup>6</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/44>

<sup>7</sup> NIAO Annual Report and Accounts 2019-10, p7:

[https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report\\_12pt\\_tables%2010pt\\_V4\\_LOW%20COMBINED%20UPDATED.pdf](https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report_12pt_tables%2010pt_V4_LOW%20COMBINED%20UPDATED.pdf)

<sup>8</sup> NIAO Annual Report and Accounts 2019-10, p7:

[https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report\\_12pt\\_tables%2010pt\\_V4\\_LOW%20COMBINED%20UPDATED.pdf](https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report_12pt_tables%2010pt_V4_LOW%20COMBINED%20UPDATED.pdf)

It is worth noting that, unlike other audit offices in GB (as discussed in greater detail in section 2), the NIAO is not incorporated.

The NIAO is headed by the C&AGNI, who is an Officer of the Assembly. The C&AGNI and his staff are the external auditors of all Northern Ireland (NI) Departments, executive agencies and other central government bodies, including non-departmental public bodies and health and social care bodies. In addition, a senior member of staff in the NIAO is designated as the Local Government Auditor, who is responsible for the audit of councils and other local government bodies.

The status, functions and main duties of the C&AGNI and the NIAO are set down in legislation, including the Audit (Northern Ireland) Order 1987<sup>9</sup>, the Northern Ireland Act 1998 at Sections 60<sup>10</sup>, 65<sup>11</sup> and 66<sup>12</sup>, the Government Resources and Accounts Act (Northern Ireland) 2001 and the Audit and Accountability (Northern Ireland) Order 2003<sup>13</sup>. The statutory responsibilities and powers of the Local Government Auditor are set out in the Local Government (Northern Ireland) Order 2005, Section 4<sup>14</sup> and the Local Government (Northern Ireland) Act 2014, Section 95<sup>15</sup>.

### 1.2.1 C&AGNI

The C&AGNI is the head of the NIAO; and is responsible for authorising the issue of money from central government funds to NI Departments; and for financial and value for money audit of central government bodies in NI.<sup>16</sup>

The powers and duties of the C&AGNI are set out in legislation. Section 65 of the Northern Ireland Act 1998<sup>17</sup> lays out the means of appointing the C&AGNI. It provides that, in exercising his functions, except for any function conferred on him of preparing accounts, he shall not be subject to the direction or control of any Minister or Northern Ireland Department, or the Assembly. In essence, the C&AGNI has complete discretion in the discharge of his statutory audit functions.

The C&AGNI is a “corporation sole”, as stated in schedule 1 of the Audit (Northern Ireland) Order 1987<sup>18</sup>. This means the C&AGNI, as a legal entity, consists of a single (“sole”) incorporated office, and is occupied by a single (“sole”) natural person. This gives the office itself a separate legal identity from the individuals who hold the office (in the flesh); and the powers of that office, as created in statute, are limited to those granted by the statute. This enables the office to pass without interruption, providing a separate and continuing existence, with only one member (the sole officeholder). And any contract made with the corporation sole continues from one officeholder to that person’s successor, or where a vacancy in the office, to the appointee. Corporation sole therefore is an incorporated series of successive persons, which are recognised by law as corporation: “continuous entity endowed with a capacity for endless duration”. (Corporation sole is one of two types of corporation; “corporation aggregate” is the other<sup>19</sup>.)

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<sup>9</sup> <http://www.legislation.gov.uk/nisi/1987/460/contents>

<sup>10</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/60>

<sup>11</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/65>

<sup>12</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/66>

<sup>13</sup> <http://www.legislation.gov.uk/nisi/2003/418/contents/made>

<sup>14</sup> <http://www.legislation.gov.uk/nisi/2005/1968/article/4/made>

<sup>15</sup> <http://www.legislation.gov.uk/nia/2014/8/section/95>

<sup>16</sup> <http://www.legislation.gov.uk/nia/2001/6/contents>

<sup>17</sup> <http://www.legislation.gov.uk/ukpga/1998/47/section/65>

<sup>18</sup> <http://www.legislation.gov.uk/nisi/1987/460/schedule/1/part/1>

<sup>19</sup> <https://legal-dictionary.thefreedictionary.com/corporation+sole>

The 1987 Order further:

- Specifies that the NIAO is to support the C&AGNI in the discharge of his statutory functions;
- Empowers the C&AGNI to examine and report to the Assembly on whether public bodies have used resources economically, efficiently and effectively;
- Provides for the NIAO Estimate to be agreed between the C&AGNI and the Audit Committee of the Assembly; and,
- Requires the DoF to appoint the Accounting Officer, who is responsible for preparing the NIAO resource accounts and the external auditor of the NIAO.

### 1.2.2 C&AGNI remuneration

The NIAO Annual Reports and Accounts 2018-19<sup>20</sup> report the C&AGNI as the highest paid individual in the NIAO in 2018-19. His salary was in the range of £140,000 to £145,000. The C&AGNI salary has not changed since 2014. To facilitate the Audit Committee's consideration in this area, this sub-section provides background information regarding C&AGNI remuneration and how it is determined.

As the Audit Committee recalls, in 2008 it assumed responsibility from the former Department for Finance and Personnel (DFP) in relation to the tabling motions to the Assembly regarding the C&AGNI salary. Prior to the transfer of that responsibility, there had been a long-standing convention, similar to that of the National Audit Office (as discussed in greater detail in sub-section 2.1 of this paper). The convention was that the C&AGNI's salary should be tied to the salary payable to judges in salary group 5, i.e. including senior circuit judges and the Chief Magistrate. Judicial salaries were (and continue to be) determined by the Government based on recommendations from the Review Body on Senior Salaries (SSRB).

In 2008, when the Audit Committee assumed responsibility for the matter, it considered all available evidence, and agreed that it was sensible to maintain the link between the C&AGNI's salary and the salary that is payable at judicial level 5. The Committee agreed it was fair and transparent to continue, reducing the potential for the Assembly to be seen to be determining the salary in response to political or other factors.<sup>21</sup>

Article 4(1) the Audit (Northern Ireland) Order 1987 states:

*There shall be paid to the holder of the office of Comptroller and Auditor General such salary, not exceeding the maximum salary for the time being payable to any person employed in the civil service of Northern Ireland, as may from time to time be determined by or in pursuance of a resolution of the Assembly;*<sup>22</sup>

In 2014, a motion was brought to the Assembly to increase the C&AGNI's salary of £140,000 by 0.95%. The motion, which was agreed, stated:

*The last time that the Assembly resolved to increase the salary of the C&AG was in March 2009. The following year, on foot of a motion from the Audit Committee, the Assembly resolved that the salary should remain frozen until such time as the Assembly made a further determination. Since then, the Comptroller and Auditor General has been paid a salary of £140,000. The Committee believes that it is now appropriate for the Assembly to make a further determination and that, from today's date, the salary to be paid to the Comptroller and Auditor General should be increased by 0.95%.*<sup>23</sup>

<sup>20</sup> Northern Ireland Audit Office Annual Report and Accounts Page 50

[https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report\\_12pt\\_tables%2010pt\\_V4\\_LOW%20COMBINED%20UPDATED.pdf](https://www.niauditoffice.gov.uk/sites/niao/files/214782%20NIAO%20Annual%20Report_12pt_tables%2010pt_V4_LOW%20COMBINED%20UPDATED.pdf)

<sup>21</sup> <http://www.niassembly.gov.uk/assembly-business/official-report/reports-13-14/07-april-2014/#10>

<sup>22</sup> <http://www.legislation.gov.uk/nisi/1987/460/article/4>

<sup>23</sup> <http://www.niassembly.gov.uk/assembly-business/official-report/reports-13-14/07-april-2014/#10>

## 2 GB Counterparts of Assembly's Audit Committee – A Comparative Perspective

This section identifies GB counterparts of the Assembly's Audit Committee, i.e. those centrally in Westminster and regionally in the Scottish Parliament and in the Welsh Assembly. Most importantly, they reveal GB counterparts are not always committees; often they are commissions, which possess similar roles, including oversight of non-ministerial bodies. They also reveal distinctions in governance arrangements, including, but not limited to, those relating to the head of office.

The GB counterparts are discussed below in the following order:

### 2.1 UK – The Public Accounts Commission (TPAC)

### 2.2 Scotland - Scottish Commission for Public Audit (SCPA)

### 2.3 Wales - Finance Committee of the National Assembly for Wales

Using the same order of presentation as Section 1, the roles and responsibilities of each are outlined, along with a basic overview of the government audit office overseen by each, including its roles, responsibilities and governance arrangements. In addition, examples are provided from the recent work programmes for each, including inquiries and activities undertaken and reports issued. This is to highlight potential examples that could inform the Assembly Audit Committee's future work plans.

### 2.1 UK – The Public Accounts Commission (TPAC)

#### 2.1.1 TPAC - Roles and responsibilities

The roles and responsibilities of The Public Accounts Commission (TPAC) is similar to that of the Assembly Audit Committee; and are defined by the National Audit Act 1983, at Section 2<sup>24</sup> and Schedule 1<sup>25</sup>, and the Budget Responsibility and National Audit Act 2011, at Schedule 3<sup>26</sup>. Its principal duties under the Acts are to:

- Examine the NAO Estimate;
- Lay that Estimate before the UK House of Commons;
- Consider reports from the appointed auditor of the NAO;
- Appoint non-executive members of the NAO Board; and,
- Appoint the external auditor of the NAO.

As set out in Section 2 of the National Audit Act 1983<sup>27</sup>, the Chairman of the Public Accounts Committee (PAC)<sup>28</sup> also must be a member of TPAC, alongside the leader of the House of Commons, and seven other Members of the House of Commons.

<sup>24</sup> <http://www.legislation.gov.uk/ukpga/1983/44/section/2>

<sup>25</sup> <http://www.legislation.gov.uk/ukpga/1983/44/schedule/1>

<sup>26</sup> <http://www.legislation.gov.uk/ukpga/2011/4/schedule/3/enacted>

<sup>27</sup> <http://www.legislation.gov.uk/ukpga/1983/44/section/2>

<sup>28</sup> The Public Accounts Committee (PAC) is a select committee in the UK Parliament House of Commons, established in accordance with Standing Order No. 148 of the House of Commons which states:

**148.**—(1) *There shall be a select committee to be called the Committee of Public Accounts for the examination of the accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure, and of such other accounts laid before Parliament as the committee may think fit, to consist of not more than sixteen members. The committee shall have power to send for persons, papers and records, to report from time to time, and to adjourn from place to place.* [<https://publications.parliament.uk/pa/cm200506/cmstords/416/41605.htm>]

The PAC's website summarises that Committee's work, stating:

### 2.1.2 C&AG and National Audit Office (NAO) - Roles, responsibilities and governance arrangements

The NAO's C&AG leads the NAO, and is an officer of the House of Commons, as well as a "corporation sole"<sup>29</sup>. (This is the same as the C&AGNI, as noted earlier in this paper, and the Auditor General of Wales, stated below in sub-section 2.3.2: refer to sub-section 1.2.1 of this paper for a definition of the legal concept "corporation sole".) The C&AG and the NAO staff (about 800 people) are independent of the UK government. They are not civil servants and do not report to a minister. The C&AG, once appointed, holds office for 10 years.

The C&AG certifies the accounts of all government departments and many other public sector bodies. He has statutory authority to examine and report to UK Parliament on whether departments and the bodies they fund have used their resources efficiently, effectively and with economy. The C&AG uses his powers to:<sup>30</sup>

- Decide which value for money examinations to carry out;
- Decide how to report results to Parliament; and,
- Use rights of access to documents and staff to get information and explanations.

The NAO is a "body corporate", as stated in Section 20 of the Budget Responsibility and National Audit Act 2011<sup>31</sup>. This means the NAO, made up of a group of persons, is incorporated to carry out its statutory purpose. It is a single legal entity, i.e. the corporate entity is legally distinct from its members; it has legal personality and can hold property, sue and be sued in its own name as if it were a natural person.<sup>32</sup>

The NAO Board supports and advises the C&AG in meeting his statutory responsibilities, and oversees how the NAO manages and uses its resources. The Board has a majority of non-executive members, including the chair. TPAC, appoints the non-executive members, and the chair is appointed by the Queen upon recommendation of the Prime Minister and the chair of TPAC. This ensures that the non-executive members are independent of management and have the confidence of the government and the opposition in Parliament. The Leadership Team is an executive group responsible for supporting the C&AG in running the NAO.

The Budget Responsibility and National Audit Act 2011 (the 2011 Act)<sup>33</sup> establishes the statutory basis for the NAO's governance. The 2011 Act states:

- Established the NAO as a corporate entity, with a statutory board.
- Requires that the C&AG and the chair are to be appointed by Her Majesty the Queen, upon an address to Parliament by the Prime Minister.
- Determined that TPAC is formally responsible for the appointment of the non-executive members of the NAO board and the external auditor of the NAO.
- Requires the NAO board to agree a Code of Practice setting out in detail how the relationship between the board and the C&AG will work in practice. This Code must be approved by TPAC.

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*The Public Accounts Committee examines the value for money of Government projects, programmes and service delivery. Drawing on the work of the National Audit Office the Committee holds government officials to account for the economy, efficiency and effectiveness of public spending. [https://publications.parliament.uk/pa/cm200506/cmstords/416/41605.htm]*  
More information on the PAC can be found here: <https://committees.parliament.uk/committee/127/public-accounts-committee/>

<sup>29</sup> <http://www.legislation.gov.uk/ukpga/2011/4/section/12>

<sup>30</sup> <https://www.nao.org.uk/about-us/>

<sup>31</sup> <http://www.legislation.gov.uk/ukpga/2011/4/section/20/enacted>

<sup>32</sup> <https://legal-dictionary.thefreedictionary.com/body+corporate>

<sup>33</sup> <http://www.legislation.gov.uk/ukpga/2011/4/part/2/crossheading/national-audit-office>

### 2.1.3 C&AG remuneration

The NAO Annual Reports and Accounts 2018-19<sup>34</sup> report the C&AG was the highest paid individual in the NAO in 2018-19. His salary was in the range of £220,000 to £225,000 (2017-18: £220,000 to £225,000). The Table below shows changes in the C&AG salary between 2007 and 2017.

Year	Salary
2007-08	£165,000-£170,000 <sup>35</sup>
2008-09	£170,000-£175,000 <sup>36</sup>
2009-10	£180,000-£185,000 <sup>37</sup>
2010-11	£205,000-£210,000 <sup>38</sup>
2011-12	£205,000-£210,000 <sup>39</sup>
2012-13	£205,000-£210,000 <sup>40</sup>
2013-14	£205,000-£210,000 <sup>41</sup>
2014-15	£215,000-£220,000 <sup>42</sup>
2015-16	£215,000-£220,000 <sup>43</sup>
2016-17	£215,000-£220,000 <sup>44</sup>
2017-18	£220,000-£225,000 <sup>45</sup>

In 2007, TPAC commissioned a review of the NAO corporate governance, to ensure that these conformed to best practice. In 2008, the subsequent report, entitled *Review of the National Audit Office's Corporate Governance* (The Tiner Report) states:

*Levels of remuneration should be sufficient to attract, retain and motivate directors of the quality required to run the company successfully. In order to reinforce the independence of the C&AG, his salary is pegged to that of a High Court judge and paid out of the Consolidated Fund and so is not charged to the NAO budget.*<sup>46</sup>

The Tiner Report later proposes:

*To reinforce the independence of the C&AG from Government, the current C&AG's level of remuneration follows that of a High Court judge and is paid out of the Consolidated Fund. While I can see that this achieves the objective of independence, I do not believe it benchmarks the position of Auditor General against the appropriate peer group in seeking to attract high quality candidates to the position. I would favour the Chief Executive's remuneration being set by the Public Accounts Commission based on advice by the non-executive members of the NAO Board, which itself would take advice from its Remuneration Committee. The Remuneration Committee would provide an evaluation of the performance of the Chief Executive in the*

<sup>34</sup> <https://www.nao.org.uk/wp-content/uploads/2019/06/NAO-Annual-Report-and-Accounts-2018-19.pdf> page 72

<sup>35</sup> [https://www.nao.org.uk/wp-content/uploads/2009/06/Annual\\_Report\\_2009\\_1.pdf](https://www.nao.org.uk/wp-content/uploads/2009/06/Annual_Report_2009_1.pdf) page 62

<sup>36</sup> [https://www.nao.org.uk/wp-content/uploads/2009/06/Annual\\_Report\\_2009\\_1.pdf](https://www.nao.org.uk/wp-content/uploads/2009/06/Annual_Report_2009_1.pdf) page 62

<sup>37</sup> [https://www.nao.org.uk/wp-content/uploads/2010/06/NAO\\_Annual\\_Report\\_2010.pdf](https://www.nao.org.uk/wp-content/uploads/2010/06/NAO_Annual_Report_2010.pdf) page 50

<sup>38</sup> [https://www.nao.org.uk/wp-content/uploads/2011/06/nao\\_annual\\_report\\_2011.pdf](https://www.nao.org.uk/wp-content/uploads/2011/06/nao_annual_report_2011.pdf) page 43

<sup>39</sup> [https://www.nao.org.uk/wp-content/uploads/2012/05/NAO\\_AR\\_2012.pdf](https://www.nao.org.uk/wp-content/uploads/2012/05/NAO_AR_2012.pdf) page 54

<sup>40</sup> [https://www.nao.org.uk/wp-content/uploads/2013/05/ANNUAL-REPORT-2013\\_WEB-1.pdf](https://www.nao.org.uk/wp-content/uploads/2013/05/ANNUAL-REPORT-2013_WEB-1.pdf) page 43

<sup>41</sup> <https://www.nao.org.uk/wp-content/uploads/2014/06/NAO-annual-report-2013-141.pdf> page 56

<sup>42</sup> <https://www.nao.org.uk/wp-content/uploads/2015/06/nao-annual-report-2014-15.pdf> page 67

<sup>43</sup> <https://www.nao.org.uk/wp-content/uploads/2016/06/NAO-Annual-Report-2015-16.pdf> page 80

<sup>44</sup> <https://www.nao.org.uk/wp-content/uploads/2017/06/NAO-Annual-Report-and-Accounts-2016-17.pdf> page 78

<sup>45</sup> <https://www.nao.org.uk/wp-content/uploads/2018/06/NAO-Annual-Report-and-Accounts-2017-18.pdf> page 74

<sup>46</sup> Review of the National Audit Office's Corporate Governance Fourteenth Report, February 2008, Appendix. Page 8: <https://publications.parliament.uk/pa/cm200708/cmselect/cmpacomm/328/328.pdf>

*management and leadership of the office and should seek expert external advice on relevant benchmarks in both the public and private sectors.*

TPAC responded to Tiner's comments with the following:

*We agree that linking the C&AG's salary to that of a High Court judge does not link the position to an appropriate peer group. We believe the salary should instead be comparable to that of the Treasury's Permanent Secretary and be linked to that pay level, but adjusted to reflect the bonuses available to the Treasury's Permanent Secretary rather than creating a bonus system for the C&AG. In the longer term we would like the salary to be reviewed in time for the term of the C&AG after next, with particular reference to the possibility of varying the salary in order to be sure of attracting the best candidate.<sup>47</sup>*

The NAO addressed the matter in July 2008, in a Memorandum of draft clauses, stating:

*On the C&AG's salary, the draft clauses provide that the value of the C&AG's remuneration package on appointment should not exceed the maximum value of a Permanent Secretary's package for the same period. The Commission had suggested that the C&AG's salary might be linked to that of the Treasury's Permanent Secretary but, as Permanent Secretaries are on personal rates of pay, this approach could have resulted in the C&AG's salary fluctuating inappropriately, for example with a change in Treasury Permanent Secretary.*

*A more general provision is therefore proposed, which in practice would prevent the C&AG's remuneration exceeding that of the Cabinet Secretary. This formulation should not be affected by future machinery of government changes. The remuneration package might be determined by the Commission at the start of each C&AG's term and updated thereafter on an index-linked basis.*

The Tiner Report ultimately led to The Budget Responsibility and National Audit Act 2011<sup>48</sup>, which put the arrangements for the governance of the NAO on a statutory basis. In particular, that 2011 Act established the NAO as a body corporate (as discussed earlier). However, no reference to remuneration determination was made. Nonetheless, the NAO stated in the aforementioned Memorandum the following:

*...the paper and the draft clauses reflect the discussions that have been taking place between the Treasury and the National Audit Office since the Commission's response was published in March 2008.*

#### **2.1.4 Recent TPAC work programmes – Examples of inquiries, activities and issued reports**

This sub-section outlines recent TPAC work, which may be of interest to the Assembly Audit Committee.

At its meeting on 24 March 2020, TPAC took evidence from the C&AG about the NAO's Strategy for 2020-21 to 2024-25. TPAC questioned him on a range of issues, including his strategic review of the organisation, the proposals in the Strategy, and how the NAO was responding to the impact of the coronavirus. Following the public session, TPAC approved the Strategy, as required under the Budget Responsibility and National Audit Act 2011.

TPAC published its report on 26 March 2019, entitled *Twenty-fourth Report: Work of the Commission in 2018*<sup>49</sup>. The report outlines TPAC's work in 2018. TPAC had held three formal

<sup>47</sup> Corporate Governance of the National Audit Office: Response to John Tiner's Review, March 2008, Page 6:

<https://publications.parliament.uk/pa/cm200708/cmselect/cmpacomm/402/402.pdf>

<sup>48</sup> <http://www.legislation.gov.uk/ukpga/2011/4/contents/enacted>

<sup>49</sup> <https://publications.parliament.uk/pa/cm201719/cmselect/cmpac/2088/208802.htm>

meetings during 2018, in January, March and December. In the January meeting, it considered the appointment of a non-executive Board Member of the NAO.

In the March meeting, TPAC considered the NAO's 2018-19 Estimate, the meeting is summarised below:

*In March the Commission considered the NAO's Estimate for 2018/19, which sought approval for a net cash requirement of £67.7 million. The Commission received observations from HM Treasury. The Treasury suggested that the Commission might like to encourage the NAO to provide further information on the value for money judgements made by the NAO when choosing different audit models for the different international jurisdictions of the BBC's commercial activities. The Treasury also questioned the justification for the 3% pay increase the NAO was proposing for staff. Oral evidence was taken from the Comptroller and Auditor General (Sir Amyas Morse), the Chairman of the NAO (Lord Bichard) and the Executive Lead of Strategy and Operations (Daniel Lambauer). The Commission agreed to provide the Estimate requested by the NAO.<sup>50</sup>*

TPAC met in December, and considered and approved the NAO's Strategy for the financial years 2019-20 to 2021-22. The Treasury again provided TPAC with written observations. Areas that were considered in detail included:

*Government departments' preparations for the UK's withdrawal from the European Union, the NAO's future auditing of the Student Loans Company, and the resources the NAO would need to scrutinise the Restoration and Renewal project at Parliament.<sup>51</sup>*

At the December meeting, TPAC also:

*Agreed that for the purposes of section 15(2) of the Budget Responsibility and National Audit Act 2011, the Advisory Committee on Business Appointments should be the body that former Comptroller and Auditor Generals must consult with;*

*approved the NAO's recommendation that Crowe UK be appointed as the NAO's external auditor for the financial years ending 31 March 2020, 2021 and 2022, in accordance with paragraph 25 of Schedule 2 to the Budget Responsibility and National Audit Act 2011, and;*

*agreed to lay before the House the Value for Money Report, Contract Management Review (HC1818), in accordance with Paragraph 26 of Schedule 2 to the Budget Responsibility and National Audit Act 2011.<sup>52</sup>*

## **2.2 Scotland - Scottish Commission for Public Audit (SCPA)**

### **2.2.1 SCPA - Roles and responsibilities**

The Scottish Commission for Public Audit (SCPA) was established under Section 12 of the Public Finance and Accountability (Scotland) Act 2000<sup>53</sup>, which states:

*12 Scottish Commission for Public Audit*

*(1) There is to be a body to be known as the Scottish Commission for Public Audit, with the functions conferred on it by virtue of this Act.*

*(2) The Commission is to consist of—*

<sup>50</sup> <https://publications.parliament.uk/pa/cm201719/cmselect/cmpac/2088/2088.pdf> page 5

<sup>51</sup> <https://publications.parliament.uk/pa/cm201719/cmselect/cmpac/2088/2088.pdf> page 5

<sup>52</sup> <https://publications.parliament.uk/pa/cm201719/cmselect/cmpac/2088/2088.pdf> page 6

<sup>53</sup> <http://www.legislation.gov.uk/asp/2000/1/section/12>

*(a) the member of the Parliament who is for the time being convener of the Public Audit Committee, and*

*(b) 4 other members of the Parliament appointed in accordance with standing orders.*

*(3) The Commission may require Audit Scotland to provide it with such documents, information and explanations about the exercise of the functions of Audit Scotland as the Commission reasonably considers necessary in connection with the discharge of its functions.*

*(4) The Commission is from time to time to report to the Parliament on the exercise of its functions.*

The Convener of the Public Audit and Post-legislative Scrutiny Committee<sup>54</sup> is a member of the SCPA, alongside 4 other members of the Scottish Parliament. The SCPA's main areas of responsibility are to:

- Examine Audit Scotland's proposals for the use of resources and expenditure and report on them to the Parliament;
- Appoint a qualified person to audit the accounts of Audit Scotland;
- Lay before the Parliament and publish a copy of Audit Scotland's accounts and the auditor's report on them;
- Appoint three of the five members of Audit Scotland on such terms and conditions as the SCPA determines; and,
- Appoint one of these three members to preside at meetings of Audit Scotland.<sup>55</sup>

The SCPA also has a responsibility to designate the Auditor General for Scotland (AGS) or a member of the staff of Audit Scotland, as the accountable officer for Audit Scotland.

## **2.2.2 AGS and Audit Scotland - Roles, responsibilities and governance arrangements**

The AGS is appointed by the Crown, on the recommendation of the Scottish Parliament. The independent post was created under the Scotland Act 1988, Section 69<sup>56</sup>, to help ensure that public money is spent properly, efficiently, and effectively. The AGS reports in public to the Scottish Parliament's Public Audit and Post-legislative Scrutiny Committee; a brief overview of that Committee is given at footnote 54 of this paper. The AGS has a maximum term of 8 years.

The AGS is the Accountable Officer for Audit Scotland, which is a "body corporate" (this legal concept is explained in relation to the NAO above at sub-section 2.1.2 of this paper). The Accountable Officer is responsible for the audit of all public bodies, except local authorities. This includes the Scottish Government, government agencies, National Health Service (NHS) bodies, police and fire, further education colleges and most non departmental public bodies. Audit Scotland is responsible for auditing 222 public bodies, including: 72 Central government bodies and Scottish Parliament (including police, fire, Scottish Water), 23 NHS bodies, 32 Councils, 73 Joint boards and committees, 21 Further education colleges and 1 European Agricultural Fund.

Audit Scotland provides both the AGS, and the non-ministerial body known as the Accounts Commission with the services they need. The Accounts Commission is the public spending watchdog for local government. The Commission operates impartially and independently of

<sup>54</sup> The Public Audit and Post-legislative Scrutiny Committee (formerly Public Audit Committee) is a mandatory committee in Scottish Parliament. The remit of the committee is set out in Rule 6.7 Public Audit of The Scottish Parliament Standing Orders [<https://www.parliament.scot/Parliamentaryprocedureandguidance/SOEd05Rev07201909.pdf>] and includes, to consider and report on the following:

(a) any accounts laid before the Parliament;

(b) any report laid before or made to the Parliament by the Auditor General for Scotland; and,

(c) any other document laid before the Parliament, or referred to it by the Parliamentary Bureau or by the Auditor General for Scotland, concerning financial control, accounting and auditing in relation to public expenditure.

(d) post-legislative scrutiny. [<https://www.parliament.scot/parliamentarybusiness/CurrentCommittees/101367.aspx>]

<sup>55</sup> <https://www.parliament.scot/parliamentarybusiness/101154.aspx>

<sup>56</sup> <http://www.legislation.gov.uk/ukpga/1998/46/section/69>

councils and of the Scottish Government and meet and report in public. The Commission is responsible for coordinating and facilitating scrutiny in local government. The Controller of Audit is a statutory post established alongside the Commission. The Controller reports to the Commission and highlights areas of concern. Under Section 19 of the Public Finance and Accountability (Scotland) Act 2000<sup>57</sup>, Audit Scotland accounts must be sent to the SCPA (Scottish Commission for Public Audit) for auditing.

Audit Scotland's management team oversees the day-to-day operations of Audit Scotland's work. The management team is made up of the AGS, who is the Accountable Officer, and three executive directors. The Audit Scotland Board is responsible for the exercise of all functions of Audit Scotland. The Board sets and monitors the strategic direction of Audit Scotland and oversees Audit Scotland's work. The Board is made up of the AGS, the chair of the Accounts Commission and three independent non-executive members appointed by the SCPA. The chair of the Board and the Board's committees are non-executive members.

The Board has two standing committees: Audit Committee and Remuneration and Human Resources Committee. The Audit Committee oversees the arrangements for corporate governance, internal control, audit quality, risk and financial management and internal and external audit. This includes reviews of the Standing Orders, Scheme of Delegation, the Financial Regulations and the annual accounts. The Audit Committee submits an Annual Statement of Assurance to the Board. The Committee appoints the internal auditors and approves the internal audit plan. Internal audit services are provided by an external firm (BDO). The remuneration and human resources committee sets and reviews the salaries of senior staff, (excluding the AGS, whose salary is agreed by the Scottish Parliamentary Corporate Body), and the main terms and conditions for all staff.

Audit Scotland is held to account by the Parliament through statutory arrangements put in place by the Scotland Act 1998<sup>58</sup> and through the Public Finance and Accountability (Scotland) Act 2000<sup>59</sup>.

### 2.2.3 AGS remuneration

The salary, allowances and other terms and conditions of the AGS are determined by the Scottish Parliamentary Corporate Body (SPCB) and paid by Audit Scotland<sup>60</sup>. Audit Scotland Annual Report and Accounts 2018-2019<sup>61</sup> report that the AGS was the highest paid member of the management team. The AGS annualised remuneration before pension benefits was in the range £145,000 to £150,000 (£145,000 to £150,000 in 2017/18). The SPCB report in the Annual Report and Accounts 2018-2019:<sup>62</sup>

*Officeholder salaries are uprated in line with the percentage uplift awarded to the Scottish Senior Civil Service.*

<sup>57</sup> <https://www.legislation.gov.uk/asp/2000/1>

<sup>58</sup> <http://www.legislation.gov.uk/ukpga/1998/46/contents>

<sup>59</sup> <http://www.legislation.gov.uk/asp/2000/1/contents>

<sup>60</sup> Public Finance and Accountability (Scotland) Act 2000 <http://www.legislation.gov.uk/asp/2000/1/section/13>

<sup>61</sup> Audit Scotland Annual Report and Accounts Page 43 <https://www.audit-scotland.gov.uk/about-us/audit-scotland/annual-report-201819>

<sup>62</sup> [https://www.parliament.scot/Financeresources/SPCB\\_Annual\\_Accounts\\_2018\\_19.pdf](https://www.parliament.scot/Financeresources/SPCB_Annual_Accounts_2018_19.pdf) page 39

### 2.2.4 Recent SCPA work programmes – Examples of inquiries, activities and issued reports

The SCPA meets twice per year, to discuss the Annual Report and Accounts and the External Auditors Report, and then again later in the year to discuss the Spring Budget Revision and Budget Proposal. It publishes an annual report on Audit Scotland's budget proposal<sup>63</sup>.

As well as the annual work it produces, the SPCA undertakes other work. For example, it recently completed the following two reviews, which may be of interest to the Assembly Audit Committee, i.e:

- Audit Scotland Board and the SCPA in June 2019<sup>64</sup>; and,
- Funding and fee setting arrangements for Audit Scotland in December 2016<sup>65</sup>.

## 2.3 Welsh Parliament - Finance Committee of the National Assembly for Wales

### 2.3.1 Finance Committee - Roles and responsibilities

The remit of the Finance Committee of the National Assembly for Wales is:

- a) to carry out the functions of the responsible committee set out in Standing Orders 18.10, 18.11, 18A.2(iv) and (v), 19 and 20 of the National Assembly for Wales<sup>66</sup>;*
- b) under Standing Orders 19 and 20, the committee's responsibilities include considering any report or document laid before the Assembly concerning the use of resources, or expenditure from the Welsh Consolidated Fund, including undertaking budget scrutiny of the bodies directly funded from the Welsh Consolidated Fund;*
- c) under Standing Orders 18.10 and 18.11, the committee's responsibilities include oversight of the governance of the Wales Audit Office, as set out in the Public Audit (Wales) Act 2013;*
- d) under Standing Order 18A.2(iv) and (v), to exercise budgetary functions in relation to the Public Services Ombudsman for Wales;*
- e) the committee also considers any proposals for, and the progress of the devolution of fiscal powers to Wales as part of its responsibilities;*
- f) the committee may also scrutinise legislation introduced to the Assembly.<sup>67</sup>*

The Finance Committee is made up of 7 Assembly Members.

### 2.3.2 Auditor General for Wales and Wales Audit Office (WAO) – Roles, responsibilities and governance arrangements

The Auditor General for Wales (AGW) is the statutory external auditor of most of the Welsh public sector, including county and county borough councils, police, fire and rescue authorities, national parks and community councils, as well as the Welsh Government, its sponsored and related public bodies, the Assembly Commission and National Health Service bodies.

The WAO is a "body corporate". This status is like the NAO and Audit Scotland: refer to sub-section 2.1.2 of this paper for a definition of the legal concept "body corporate". The AGW is the Chief Executive (but not an employee) of the WAO, and is a "corporation sole", similar to the C&AGNI and C&AG as mentioned previously in this paper. His role is independent of

<sup>63</sup> <https://digitalpublications.parliament.scot/Committees/Report/SCPA/2018/1/24/Audit-Scotland-Budget-Proposal-for-2018-19#Introduction>

<sup>64</sup> [https://www.parliament.scot/ScottishCommissionforPublicAudit/20190619\\_Review\\_Report.pdf](https://www.parliament.scot/ScottishCommissionforPublicAudit/20190619_Review_Report.pdf)

<sup>65</sup> [https://www.parliament.scot/ScottishCommissionforPublicAudit/SCPA-S5-16-2-3\\_2016.12.14\\_Audit\\_Scotland\\_Fees\\_Strategy.pdf](https://www.parliament.scot/ScottishCommissionforPublicAudit/SCPA-S5-16-2-3_2016.12.14_Audit_Scotland_Fees_Strategy.pdf)

<sup>66</sup> <https://www.assembly.wales/en/bus-home/Pages/bus-assembly-guidance.aspx>

<sup>67</sup> <https://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=440>

government. He is not a civil servant. He is appointed by the Queen on the nomination of the National Assembly. The post can be held by an individual for a maximum of eight years.

The AGW's role includes examining how public bodies manage and spend public money, including how they achieve value in the delivery of public services. The AGW publishes reports on that work; some of which are considered by the National Assembly for Wales' Public Accounts Committee. He also reports every year on how well individual local authorities are planning for improvement.

The Public Audit (Wales) Act 2013 states:

*The Auditor General has complete discretion as to the manner in which the functions of that office are exercised and is not subject to the direction or control of the National Assembly or the Welsh Government.*

*(2) But this discretion is subject to subsection (3).*

*(3) The Auditor General must—*

*(a) aim to carry out his or her functions efficiently and cost-effectively;*

*(b) have regard, as he or she considers appropriate, to the standards and principles that an expert professional provider of accounting or auditing services would be expected to follow;*

*(c) have regard to advice given to him or her by the WAO (see section 17(3)).*

The National Assembly for Wales appoints a Chair and three other non-executive members to the WAO statutory Board. Other members of the Board are the Auditor General and three employees. The Board is responsible for employing staff, procuring services, and providing other resources to enable the AGW to do his work. It also monitors and advises the AGW.

The Executive Leadership team is responsible for directing the organisation, both by transforming and running the business. The WAO accounts are audited by an independent firm appointed by the National Assembly for Wales. Each year, the AGW and the WAO present an estimate of the income and expenses of the WAO for the next financial year to the National Assembly for approval.

### 2.3.3 AGW remuneration

The AGW's remuneration is determined by the National Assembly for Wales. In accordance with the Public Audit (Wales) Act 2013, his salary is met directly from the Welsh Consolidated Fund. The Finance Committee published a report entitled *Nomination of Auditor General for Wales* in March 2018, making the following statement in relation to the AGW:

*In considering the recruitment of the AGW, the Committee considered the remuneration arrangements in accordance with section 7 of the Act. The Committee agreed to advertise the position with a salary of £142,000, which will be adjusted in line with arrangements for the bottom of the Permanent Secretaries pay band, as per the Senior Salaries Review Body annual report. The Committee will review this in 2 years to assess the effectiveness of this arrangement.<sup>68</sup>*

The current AGW was appointed by the Queen, and took office on 21 July 2018 for a non-renewable period of eight years. His gross salary costs during 2018-2019 were as follows: then and current AGW £98,865 (full year equivalent of £142,000), and former AGW £58,227 (full year equivalent of £161,744)<sup>69</sup>.

<sup>68</sup> <https://www.assembly.wales/laid%20documents/cr-ld11455/cr-ld11455-e.pdf> Page 8

<sup>69</sup> <https://www.audit.wales/system/files/publications/Annual-Report-2019-eng.pdf> Page 71

### 2.3.4 Recent Finance Committee work programmes – Examples of inquiries, activities and issued reports

The Finance Committee meets on a weekly basis. The tables below outline recent work completed by the committee relating to the WAO, Public Services Ombudsman and Assembly Commission.

The Finance Committee completes a number of activities on an annual basis, including Annual Scrutiny of the WAO and AGW, Scrutiny of the Public Services Ombudsman for Wales's Estimate, and Scrutiny of the Assembly Commission's Draft Budget. The Annual Scrutiny of the WAO and the AGW includes scrutiny of the Annual Report and Accounts, the Final Audit Findings Report, the Annual Plan, and the Interim Report – An assessment of progress made against previous Annual Plan during period 1 April to 30 September.

In addition to the above, the Finance Committee recently considered proposals to amend the Public Audit (Wales) Act 2013<sup>70</sup>, as outlined below:

*The Finance Committee is undertaking a consultation on the draft Public Audit (Amendment) (Wales) Bill. This follows on from the Finance Committee's inquiry to consider proposals to amend the Public Audit (Wales) Act 2013.*

*In December 2019, the Committee published its report Consideration of proposals to amend the Public Audit (Wales) Act 2013 and agreed to consult on a Draft Bill, with a view to introducing it in this Assembly. The Draft Bill seeks to amend the Public Audit (Wales) Act 2013 in order to address issues identified during the Committee's post-legislative scrutiny of the Act.*

The Finance Committee conducted post-legislative scrutiny of the Act, which focused on two areas:

1. *Exploring issues raised by the Auditor General for Wales and Wales Audit Office in regard of the Public Audit (Wales) Act 2013; including:*
  - *Fee charging*
  - *Quorum arrangements of the Wales Audit Office board*
  - *Wales Audit Office reporting arrangements*
  - *Issues with laying and reporting accounts*
2. *Considering to what extent other aspects of the Public Audit (Wales) Act 2013 may benefit from revision.*

In May 2019, the Finance Committee published *Statement of Principles that the Finance Committee of the Senedd Cymru expects Directly Funded Bodies to have regard to when making budget proposals*<sup>71</sup>.

The Table on the following page outlines work undertaken by the Finance Committee<sup>72</sup>:

<sup>70</sup> <http://senedd.assembly.wales/mglIssueHistoryHome.aspx?IId=27117>

<sup>71</sup> <http://senedd.assembly.wales/documents/s88393/Statement%20of%20Principles%20-%20May%202019.pdf>

<sup>72</sup> <http://senedd.assembly.wales/mglIssueHistoryHome.aspx?IId=15759>

<b>Inquiry</b>	<b>Completed</b>
Consideration of proposals to amend the Public Audit (Wales) Act 2013	December 2019

<b>Public Services Ombudsman for Wales</b>	<b>Date Published</b>
Scrutiny of the Public Services Ombudsman for Wales's Estimate for 2020-2021	November 2019
Scrutiny of the Public Services Ombudsman for Wales's Estimate for 2019-2020	November 2018
Scrutiny of Public Services Ombudsman for Wales's Estimate for 2018-2019	November 2017
Scrutiny of Public Services Ombudsman for Wales's Estimate for 2017-2018	November 2016

<b>Wales Audit Office</b>	<b>Date Published</b>
Annual Scrutiny of the Wales Audit Office and Auditor General for Wales	December 2019
Appointment of the non-executive Members of the Wales Audit Office Board	January 2019
Annual Scrutiny of the Wales Audit Office and Auditor General for Wales	November 2018
Nomination of Auditor General for Wales	March 2018
Annual Scrutiny of the Wales Audit Office and the Auditor General for Wales	November 2017
Finance Committee - Supplementary Report: Appointment of the non-executive Members of the Wales Audit Office Board	August 2017
Report on the Appointment of the non-executive Members and Chair of the Wales Audit Office Board	July 2017
Finance Committee Report into the delay in the laying of Natural Resources Wales Annual Accounts 2015-16 by the Auditor General for Wales	May 2017
Annual Scrutiny of the Wales Audit Office and the Auditor General for Wales	November 2016

<b>Budget – Assembly Commission</b>	<b>Date Published</b>
Scrutiny of the Assembly Commission's Draft Budget 2020-21	October 2019
Scrutiny of the Assembly Commission's Draft Budget 2019-20	October 2018
Scrutiny of the Assembly Commission Draft Budget 2018-19	October 2017
Scrutiny of the Assembly Commission Draft Budget 2017-18	October 2016

### 3 Audit Committees/Commissions – UK Comparative Perspective

This section provides two tables, drawing on the two previous sections. The first concerns the Assembly Audit Committee and its GB counterpart commissions and committee. The second addresses audit offices and the heads of those offices across the UK. The Committee may wish to seek legal guidance regarding the governance distinctions highlighted in the second table, as such advice goes beyond the scope of this briefing, but would serve to enhance the Committee's understanding in this area:

**Table 1: Comparative Table of UK Audit Committees/Commissions**

Jurisdiction	Audit Committee/Commission	Oversight of Non-Ministerial Bodies	Key Roles	Committee/Commission Membership
<b>Northern Ireland</b>	<b>Assembly Audit Committee</b>	<ol style="list-style-type: none"> <li>1. Northern Ireland Audit Office (NIAO)</li> <li>2. Northern Ireland Public Services Ombudsman (NIPSO)</li> <li>3. Northern Ireland Assembly Commission (NIAC)</li> </ol>	<ol style="list-style-type: none"> <li>1. Agree Estimates for NIAO, NIPSO and NIAC;</li> <li>2. Lay those Estimates before Assembly;</li> <li>3. Agree Comptroller &amp; Auditor General for Northern Ireland (C&amp;AGNI) Salary; and,</li> <li>4. Chairperson has a role in recruitment of C&amp;AGNI.</li> </ol>	5 Members of the Legislative Assembly (MLAs)
<b>UK</b>	<b>The Public Accounts Commission (TPAC)</b>	National Audit Office (NAO)	<ol style="list-style-type: none"> <li>1. Agree Estimate for NAO and lay before the House of Commons;</li> <li>2. Consider reports from the Comptroller &amp; Auditor General (C&amp;AG);</li> <li>3. Appoint non-executive members of the NAO Board;</li> <li>4. Appoint external auditor of the NAO; and</li> </ol>	9 Members of Parliament (MPs) including the Chairman of the Public Accounts Committee (PAC), and the leader of the House of Commons
<b>Scotland</b>	<b>Scottish Commission for Public Audit (SCPA)</b>	Audit Scotland	<ol style="list-style-type: none"> <li>1. Examine Audit Scotland's proposals for the use of resources and expenditure and report on them to the Parliament;</li> </ol>	5 Members of the Scottish Parliament (MSPs) including the convener of the Public Audit Committee (PAC)

			<ol style="list-style-type: none"> <li>2. Appoint a qualified person to audit the accounts of Audit Scotland;</li> <li>3. Lay before the Parliament and publish a copy of Audit Scotland's accounts and the auditor's report on them;</li> <li>4. Appoint three of the five members of Audit Scotland on such terms and conditions as the SCPA determines;</li> <li>5. Appoint one of these three members to preside at meetings of Audit Scotland;</li> <li>6. Designate the Auditor General or a member of the staff of Audit Scotland as the accountable officer for Audit Scotland; and,</li> <li>7. Appoint external auditor</li> </ol>	
<b>Wales</b>	<b>Finance Committee of the National Assembly</b>	<ol style="list-style-type: none"> <li>1. Wales Audit Office (WAO)</li> <li>2. Public Service Ombudsman for Wales (PSOW)</li> <li>3. Wales Assembly Commission</li> </ol>	<ol style="list-style-type: none"> <li>1. Consider any report or document laid before the Assembly concerning the use of resources, or expenditure from the Welsh Consolidated Fund, including undertaking budget scrutiny of the bodies directly funded from the Welsh Consolidated Fund;</li> <li>2. Oversee the governance of the WAO;</li> <li>3. Exercise budgetary functions in relation to the PSOW;</li> <li>4. Consider any proposals for, and the progress of the devolution of fiscal powers to Wales as part of its responsibilities; and,</li> <li>5. Scrutinise legislation introduced to the Assembly.</li> </ol>	7 Assembly Members (AMs)

**Table 2: Comparative Table of UK Audit Offices and their respective C&AG or equivalent**

<b>Jurisdiction</b>	<b>Audit Office and Comptroller &amp; Auditor General (C&amp;AG) or equivalent</b>	<b>Audit Office – “Body Corporate” status and membership</b>	<b>C&amp;AG or equivalent – “Corporation Sole” status and key roles</b>	<b>Remuneration for C&amp;AG or equivalent</b>	<b>Tenure of C&amp;AG or equivalent</b>	<b>Role of Audit Committee/Commission in recruitment of and salary of C&amp;AG or equivalent</b>
<b>Northern Ireland</b>	Northern Ireland Audit Office (NIAO)  Comptroller and Auditor General for Northern Ireland (C&AGNI)	No Body Corporate - Not incorporated  Instead a C&AGNI Advisory Board – Membership: C&AGNI, an external appointed Chair, 3 non-executive members, and 2 executive members (including C&AGNI)	C&AGNI Corporation Sole Head of NIAO Accounting Officer for NIAO Member of C&AGNI Advisory Board	2019-20: £140,000-£145,000 to be paid from the Consolidated Fund	No limit	Audit Committee Chair - lead role in recruitment of C&AGNI  Audit Committee - responsible for tabling motion of C&AGNI salary
<b>UK</b>	National Audit Office  Comptroller and Auditor General (C&AG)	Body Corporate  Membership: C&AG, 5 non-executive members, 3 employee members	C&AG Corporation Sole Head of NAO Accounting Officer for NAO Member of NAO Board	2018-19: £220,000-£225,000 to be paid from the Consolidated Fund	10 years	Committee of Public Accounts (PAC) Chair - a member of The Public Accounts Commission (TPAC) – involved in recruitment of C&AG and C&AG remuneration
<b>Scotland</b>	Audit Scotland  Auditor General Scotland (AGS)	Body Corporate  Membership: AGS, Chair of the Accounts Commission, 3 non-executive members	Auditor General Not Corporation Sole Accountable Officer for AS Member of the AS Board	2018-19: £145,000-£150,000 to be paid by Audit Scotland	8 years	Scottish Commission for Public Audit (SCPA) – responsible for designating the AGS or a member of the staff of Audit Scotland, as the accountable officer for Audit Scotland
<b>Wales</b>	Wales Audit Office (WAO)  Auditor General Wales (AGW)	Body Corporate  Membership: AGW, 5 non-executive members, 3 employee members	Auditor General Corporation Sole Chief Executive Accounting Officer Member of the WAO Board WAO Management Committee Member	2018-19: £142,000 to be paid from the Consolidated Fund	8 years	Finance Committee – overseeing the appointment of AGW and determining AGW remuneration before appointment and conducting AGW remuneration review