

These notes refer to the Budget Responsibility and National Audit Act 2011 (c.4) which received Royal Assent on 22 March 2011

BUDGET RESPONSIBILITY AND NATIONAL AUDIT ACT 2011

EXPLANATORY NOTES

BACKGROUND AND SUMMARY

Part 2: National Audit

Previous audit legislation

14. The office of Comptroller and Auditor General (C&AG) was created in 1866 when the role of the Comptroller of the Exchequer was combined with that of the Commissioners for Audit. The C&AG is still appointed under the Exchequer and Audit Departments Act 1866 (the “1866 Act”). The National Audit Act 1983 (the “1983 Act”) built on that framework and provided for the C&AG to be head of the NAO, an office which consists of the C&AG and the staff appointed by the C&AG. The C&AG audits the accounts of Government departments and a wide range of other public bodies under a number of statutory powers. Under the 1983 Act, the C&AG carries out “value for money” examinations of the way in which departments and other public bodies have used their resources. In addition, the C&AG audits certain public funds and has rights of inspection and examination over other bodies which receive public money.
15. Under the 1983 Act, a committee of Members of Parliament, the Public Accounts Commission (“the Commission”), was set up to oversee the activities of the C&AG and the NAO. Its functions include agreeing the voted resources of the NAO.