

PUBLIC AUDIT (WALES) ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Schedule 2 – Relationship between the Auditor General and the Wao

Paragraph 1 – Preparation and approval

86. The WAO and the AGW must jointly prepare a code of practice dealing with the relationship between them. In doing so they must reflect the principle in which the AGW has the complete discretion as to the manner in which the functions of his or her office are exercised under section 8(1) and 8(2) of this Act. The code must be reviewed regularly and revised as appropriate. The code, and any revision to it, must be laid before the Assembly and approved by it. The WAO and the AGW must comply with the code and must arrange for it to be published.

Paragraph 2 – Content

87. The code must include provisions about how the WAO is to monitor and advise the AGW and provision about standards for corporate governance. Paragraph 2 also provides that the code may include any other matter relevant to the relationship between the WAO and the AGW.

Paragraph 3 – Reports

88. [Sections 25 to 27](#) of the Act set out the arrangements relating to the annual plan of the AGW and the WAO. Paragraph 3 sets out the arrangements for an annual report on the exercise of the functions, which includes (amongst other matters) an assessment of the extent to which the priorities of the annual plan were achieved. In addition to the annual report, the AGW and the Chair of the WAO must also prepare at least one interim report during each financial year on the exercise of their functions and must include an assessment of the extent to which the priorities of the annual plan have been achieved. The number of any other interim reports to be prepared within a financial year is to be decided by the Assembly.
89. The interim and annual reports must be laid before the Assembly – the latter as soon as practicable after the end of the financial year, and the former on dates to be decided by the Assembly.

Paragraph 4 – Documents and information

90. This paragraph provides that any document or information which a person must or may provide to the AGW may be provided to the WAO. This supports the responsibility placed on the WAO to receive and hold documents and information for the new AGW and to maintain records (under section 21).

Paragraphs 5 to 14 – Temporary exercise of the functions of Auditor General by another person

91. Paragraphs 5 and 6 set out the circumstances for designation of a person to temporarily exercise the functions of the AGW in place of the AGW. Any temporary designation is to be made by the WAO, with the agreement of the Assembly. A temporary designation cannot exceed 6 months but may be extended once (with the agreement of the Assembly) for a further 6 months.
92. Any temporary designation must be of a person employed by the WAO, who would continue to be employed by the WAO on the same terms (paragraphs 9 and 10). Additional terms, including remuneration, may be agreed by the WAO and the Assembly but those remuneration terms must not include an additional salary or pension.