
EXPLANATORY NOTE

(This note is not part of the Order)

This Order brings into force Part 2 of the Budget Responsibility and National Audit Act 2011 (c. 4) (“the Act”).

Article 2 brings into force on 1st November 2011 provisions for the appointment of the person who chairs the National Audit Office (“NAO”) and of the other non-executive members of NAO. The appointment of the person who chairs NAO is made by the Queen following an address of the House of Commons. The person who chairs NAO makes recommendations for the appointment of the other non-executive members by the Public Accounts Commission.

Article 3 brings into force on 1st January 2012 provisions relating to the constitution and internal administration of NAO. They include provisions for the appointment of the employee members of NAO and for the preparation of a strategy and other documents required before NAO can start to exercise its functions under the Act. They also include provision for making an order appointing a day on which the person who is the Comptroller and Auditor General immediately before that day continues to be the Comptroller and Auditor General and is treated as having been appointed to that office under the Act.

The effect of article 4 is that the Comptroller and Auditor General is treated on 1st January 2012 as having been appointed to that office under the Act. But this is only for the purpose of enabling the office-holder to take part (as prescribed by the Act) in preparations that have to be made under provisions commenced by article 3.

Article 5 brings into force on 1st April 2012 provisions of Part 2 of the Act not already in force (or fully in force) on that date. These provisions include provisions relating to the exercise and financing of the national audit functions conferred by the Act on the new Comptroller and Auditor General and NAO. Article 6 makes a saving to enable resource accounts to be prepared for the financial year that commenced on 1st April 2011.