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STATUTORY INSTRUMENTS

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**1987 No. 460**

**The Audit (Northern Ireland) Order 1987**

**PART III**

**ECONOMY, EFFICIENCY AND EFFECTIVENESS EXAMINATIONS**

**Northern Ireland departments, public bodies, etc.**

**8.—**(1) The Comptroller and Auditor General may carry out examinations into the economy, efficiency and effectiveness with which any department, authority or other body to which this Article applies has used its resources in discharging its functions.

(2) Paragraph (1) shall not be construed as entitling the Comptroller and Auditor General to question the merits of the policy objectives of any department, authority or body in respect of which an examination is carried out.

(3) Subject to paragraphs (4) and (5), this Article applies to—

[<sup>F1</sup>(a) any Northern Ireland department which is required to prepare resource accounts under section 9 of the Government Resources and Accounts Act (Northern Ireland) 2001;]

*Sub-para. (b) rep. by 2003 NI 5*

[<sup>F1</sup>(bb) any body—

(i) whose accounts are open to the inspection of the Comptroller and Auditor General by virtue of section 22 of the Government Resources and Accounts Act (Northern Ireland) 2001; and

(ii) which is a public sector body within the meaning of paragraph (7);]

(c) any other authority or body whose accounts are required to be examined and certified by, or are open to the inspection of, the Comptroller and Auditor General by virtue of any [<sup>F1</sup> other] statutory provision, including a statutory provision passed or made after the making of this Order; and

(d) any authority or body which does not fall within Article 9 and whose accounts are required to be examined and certified by, or are open to the inspection of, the Comptroller and Auditor General by virtue of any agreement made, whether before or after the making of this Order, between that authority or body and a Northern Ireland department.

(4) Where the functions of the Comptroller and Auditor General in relation to any authority or body falling within paragraph (3)(c) or (d) are by the statutory provision or agreement in question restricted to particular activities of the authority or body, any examination under this Article in respect of that authority or body shall be correspondingly restricted.

(5) No examination shall be carried out under this Article by the Comptroller and Auditor General in respect of an authority or body falling within paragraph (3)(d) unless the carrying out of such an examination is included (expressly or by implication) in the functions exercisable by him under the agreement in question; but where—

(a) the agreement was made by a Northern Ireland department before the appointed day and is not such as to allow any such examination; or

- (b) a Northern Ireland department makes an agreement after the appointed day for the exercise by the Comptroller and Auditor General in respect of any authority or body of any such functions as are mentioned in paragraph (3)(d),

that Department shall, if so requested by the Comptroller and Auditor General, use its best endeavours to secure from the authority or body in question such rights as will enable examinations under this Article to be carried out in respect of that authority or body.

(6) In this Article—

“authority” includes any person holding a public office;

“policy”, in relation to any Northern Ireland department, includes any government policy so far as relating to the functions of that department;

and references to an agreement made by a Northern Ireland department include references to conditions imposed by it in pursuance of any statutory power in that behalf, whether in connection with the provision of financial assistance or otherwise.

[<sup>F1</sup>(7) For the purposes of this Part an authority or body is a public sector authority or body if—

- (a) in the case of a company, its directors (or a majority of them) are appointed by a Northern Ireland department or a Minister of such a department;
- (b) in the case of any other body, its members (or a majority of them) are so appointed; and
- (c) in the case of any authority, the authority is so appointed.]

<b>F1</b> 2001 c. 6 (NI)
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### **Other bodies mainly supported by public funds**

**9.—(1)** If the Comptroller and Auditor General has reasonable cause to believe that any authority or body to which this Article applies has in any of its financial years received more than half its income from public funds he may carry out an examination into the economy, efficiency and effectiveness with which it has in that year used its resources in discharging its functions.

(2) Paragraph (1) shall not be construed as entitling the Comptroller and Auditor General to question the merits of the policy objectives of any authority or body in respect of which an examination is carried out.

(3) In determining for the purposes of paragraph (1) whether the income of an authority or body is such as to bring it within that paragraph the Comptroller and Auditor General shall consult that authority or body and the Department.

[<sup>F2</sup>(4) This Article applies to any public sector authority or body within the meaning of Article 8(7).]

(5) For the purposes of this Article money is received from public funds if it is paid—

- (a) by a Northern Ireland department out of moneys appropriated by Measure or as a loan from the Consolidated Fund;
- (b) by an authority or body which itself falls within paragraph (1), including an authority or body falling within that paragraph by virtue of this sub-paragraph;

but, in either case, there shall be disregarded any money paid as consideration for the acquisition of property or the supply of goods or services or as remuneration, expenses, pensions, allowances or similar benefits for or in respect of a person as the holder of an office.

(6) In this Article “income” includes capital receipts and “authority” has the same meaning as in Article 8.

**F2** [2001 c. 6 \(NI\)](#)

*Art. 10 rep. by 2003 NI 5*

### **Reports to the Assembly**

**11.—(1)** The Comptroller and Auditor General may report to the Assembly the results of any examination carried out by him under Article 8 or 9.

[<sup>F3</sup>(2) While section 1 of the Northern Ireland Act 2000 is in force, paragraph (1) shall have effect as if for the words “the Assembly” there were substituted the words “the House of Commons”.]  
*Para.(3) rep. by 1998 c. 47*

**F3** [2004 NI 22](#)

**Changes to legislation:**

There are currently no known outstanding effects for the The Audit (Northern Ireland) Order 1987, PART III.