

EXECUTIVE NOTE

THE PUBLIC FINANCE AND ACCOUNTABILITY (SCOTLAND) ACT 2000 (ECONOMY, EFFICIENCY AND EFFECTIVENESS EXAMINATIONS) (SPECIFIED BODIES ETC.) ORDER 2010

SSI 2010/389

The above instrument has been made in exercise of the powers conferred by section 23(2)(b) and (3) of the Public Finance and Accountability (Scotland) Act 2000 (“the Act”). The instrument is made subject to annulment by resolution of the Parliament.

Policy Objectives

The purpose of the instrument is to update the list of bodies or office-holders, and classes of bodies or office-holders, specified for the purposes of section 23(b) of the Act, in relation to which the Auditor General for Scotland may initiate examinations into the economy, efficiency and effectiveness of the use of their resources in discharging their functions. It replaces the Public Finance and Accountability (Scotland) Act 2000 (Economy, efficiency and effectiveness examinations) (Specified bodies etc.) Order 2004 (S.S.I. 2004/482).

The Auditor General may initiate examinations under section 23(1) of the Act in relation to any body that has an account that is required to be audited, or sent for auditing, by the Auditor General by virtue of section 23(2)(a) of the Act. Section 23(2)(b) of the Act also allows examinations to be initiated in relation to any other body or office-holder, or a body or office-holder of any class, specified by the Scottish Ministers by order.

The Scottish Ministers must reasonably believe that, in any financial year, either (i) more than a quarter of the income of received by each specified body or office-holder came from public funds, or (ii) more than £500,000 came from public funds. In the case of a class of body or office-holder, this must be satisfied in relation to at least half of those in the class.

The changes detailed below (as compared to the bodies and office-holders specified in the previous 2004 Order which is revoked and replaced) are made for the reasons given. Scottish Screen was previously removed from the 2004 Order by virtue of S.S.I. 2010/222.

<i>No longer specified</i>	<i>Reason</i>
Architecture and Design Scotland	Subject to examination under section 23(1) of the Act by virtue of S.S.I. 2008/144.
Caledonian MacBrayne Limited	Replaced by Caledonian Maritime Assets Limited and David MacBrayne Limited.
EventScotland	Dissolved.
Glasgow Conservation Trust West	Dissolved.
Hannah Research Institute	No longer satisfies criteria for specification.

Higher education institutions, being institutions designated under section 44(2) of the Further and Higher Education (Scotland) Act 1992	Replaced by reference to the list of institutions formerly eligible for funding by the Scottish Higher Education Funding Council in schedule 2 to the Further and Higher Education (Scotland) Act 2005
Local enterprise companies	No longer trading with functions transferred to parent bodies i.e. Scottish Enterprise and Highlands & Islands Enterprise.
Learning and Teaching Scotland	Subject to examination under section 23(1) of the Act by virtue of S.S.I. 2008/144.
Quality Meat Scotland	Subject to examination under section 23(1) of the Act by virtue of S.S.I. 2008/77.
Rowett Research Institute	Merged with Aberdeen University.
Scottish UFI Limited	Subsumed within The Skills Development Scotland Co. Limited (company number SC202659) which is already subject to examination under section 23(1) of the Act by virtue of S.S.I. 2008/144.
<i>Specified</i>	<i>Reason</i>
Bodies listed under the sub-heading “Institutions formerly eligible for funding by the Scottish Higher Education Funding Council” in schedule 2 (fundable bodies) to the Further and Higher Education (Scotland) Act 2005	Updates and replaces previous reference to higher education institutions designated under section 44(2) of the Further and Higher Education (Scotland) Act 1992.
Caledonian Maritime Assets Limited and David MacBrayne Limited	Replaces Caledonian MacBrayne Limited
The Robert Gordon University	Previously specified by reference to higher education institutions but now requires to be listed separately as it is not caught by the new entry that replaces that reference.
Scottish Futures Trust Limited	Company incorporated 10 September 2008 that satisfies the criteria for specification.

Consultation

Audit Scotland was consulted and agrees with the changes made to the list of bodies and office-holders specified in the instrument (as compared to those specified in the 2004 Order).

Financial Effects

The instrument is not expected to have any material financial effects. A Business and Regulatory Impact Assessment has not therefore been prepared.

Scottish Government Finance Directorate
November 2010