



National Audit Act 1983

1983 CHAPTER 44

PART I

NATIONAL AUDIT AUTHORITIES

1 Appointment and status of Comptroller and Auditor General.

- (1) The power of Her Majesty under section 6 of the ^{M1}Exchequer and Audit Departments Act 1866 (appointment of Comptroller and Auditor General) shall be exercisable on an address presented by the House of Commons, and no motion shall be made for such an address except by the Prime Minister acting with the agreement of the Chairman of the Committee of Public Accounts.
- (2) The Comptroller and Auditor General shall by virtue of his office be an officer of the House of Commons.
- (3) Subject to any duty imposed on him by statute, the Comptroller and Auditor General shall have complete discretion in the discharge of his functions and, in particular, in determining whether to carry out any examination under Part II of this Act and as to the manner in which any such examination is carried out; but in determining whether to carry out any such examination he shall take into account any proposals made by the Committee of Public Accounts.
- (4) Subsection (2) above shall not be construed as applying any provision of section 4 of the ^{M2}House of Commons (Administration) Act 1978 (House departments and persons employed in or for the purposes of the House) to the Comptroller and Auditor General, to the National Audit Office or to any member of its staff.

Marginal Citations

M1 1866 c. 39.

M2 1978 c. 36.

Status: Point in time view as at 01/04/2001.

Changes to legislation: There are currently no known outstanding effects for the National Audit Act 1983. (See end of Document for details)

2 The Public Accounts Commission.

- (1) There shall be a body of Commissioners named the Public Accounts Commission (in this Act referred to as “the Commission”) which shall perform the functions conferred on it by this Act.
- (2) The Commission shall consist of—
 - (a) the Member of the House of Commons who is for the time being the Chairman of the Committee of Public Accounts;
 - (b) the Leader of the House of Commons; and
 - (c) seven other Members of the House of Commons appointed by the House, none of whom shall be a Minister of the Crown.
- (3) The Commission shall from time to time present to the House of Commons a report on the exercise of its functions.
- (4) Schedule 1 to this Act shall have effect as respects the Commission.

3 The National Audit Office.

- (1) There shall be a National Audit Office consisting of—
 - (a) the Comptroller and Auditor General, who shall be the head of that Office; and
 - (b) the staff appointed by him under this section.
- (2) The Comptroller and Auditor General shall appoint such staff for the National Audit Office as he considers necessary for assisting him in the discharge of his functions.
- (3) The staff shall be appointed at such remuneration and on such other terms and conditions as the Comptroller and Auditor General may determine.
- (4) Employment as a member of the staff of the National Audit Office shall be included among the kinds of employment to which a superannuation scheme under section 1 of the ^{M3}Superannuation Act 1972 can apply; and in exercising his powers under subsection (3) above the Comptroller and Auditor General shall have regard to the desirability of keeping the remuneration and other terms and conditions of employment of the staff of that Office broadly in line with those applying to persons employed in the civil service of the State.
- (5) ^{F1} neither the Comptroller and Auditor General nor any member of the staff of the National Audit Office shall be regarded as holding office under Her Majesty or as discharging any functions on behalf of the Crown.
- (6) In section 2(2) of the ^{M4}Exchequer and Audit Departments Act 1957 the reference to the department of the Comptroller and Auditor General shall be construed as a reference to the National Audit Office.
- (7) Schedule 2 to this Act shall have effect for supplementing the provisions of this section.

Textual Amendments

F1 Words repealed by [Official Secrets Act 1989 \(c. 6, SIF 39:2\)](#), s. 16(4), [Sch. 2](#)

Marginal Citations

M3 [1972 c. 11.](#)

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M4 1957 c. 45.

4 Expenses and accounts of National Audit Office.

- (1) Subject to the provisions of this section, the expenses of the National Audit Office shall be defrayed out of moneys provided by Parliament.
- (2) The Comptroller and Auditor General shall for the financial year ending on 31st March 1984 and for each subsequent financial year prepare an estimate of [^{F2}the use of resources (within the meaning of the Government Resources and Accounts Act 2000) by] the National Audit Office; and the Commission shall examine that estimate and lay it before the House of Commons with such modifications, if any, as the Commission thinks fit.
- (3) In discharging its functions under subsection (2) above the Commission shall have regard to any advice given by the Committee of Public Accounts and the Treasury.
- (4) The Commission shall appoint a person to be responsible as accounting officer for preparing [^{F3}resource accounts for the National Audit Office, of the kind mentioned in section 5 of the Government Resources and Accounts Act 2000, for each financial year]; and that officer shall discharge such other duties as the Commission may determine.
- (5) The Commission shall appoint an auditor for the National Audit Office, and Schedule 3 to this Act shall have effect in relation to his appointment and duties.
- (6) Subsection (1) above does not affect section 1(4) of the Exchequer and Audit Departments Act 1957 or section 13(7) of the ^{M5}Superannuation Act 1972 (under which the salary etc. of the Comptroller and Auditor General are charged on and issued out of the Consolidated Fund); and there shall be charged on and issued out of that Fund any sums payable by him in consequence of any liability for breach of duty (whether arising under a contract or otherwise) incurred by him or a member of the staff of the National Audit Office in performing his functions in respect of any audit or examination.

Textual Amendments

- F2** Words in s. 4(2) substituted (1.4.2001) by 2000 c. 20, s. 29, **Sch. 1 para. 18(2)(a)**; S.I. 2000/3349, **art. 3(1)(a)** (with transitional provision in **art. 5**)
- F3** Words in s. 4(4) substituted (1.4.2001) by 2000 c. 20, s. 29, **Sch. 1 para. 18(2)(b)**; S.I. 2000/3349, **art. 3(1)(a)** (with transitional provision in **art. 5**)

Marginal Citations

M5 1972 c. 11.

5 Audit fees.

- (1) Subject to subsection (2) below, the Comptroller and Auditor General may charge a fee for auditing the accounts of any person or body.
- (2) The Comptroller and Auditor General shall not without the consent of a Minister of the Crown charge a fee for auditing the accounts of a person or body whose functions are discharged on behalf of the Crown; and this section shall not be construed as

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authorising the charging of a fee for the audit by agreement of the accounts of any other person or body unless the agreement so provides.

- (3) Any fee received by the Comptroller and Auditor General by virtue of this section shall be paid by him into the Consolidated Fund.

PART II

ECONOMY, EFFICIENCY AND EFFECTIVENESS EXAMINATIONS

6 Public departments etc.

- (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 section applies has used its resources in discharging its functions.
- (2) Subsection (1) above 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 subsections (4) and (5) below, this section applies to—
- [^{F4}(a) any department which is required to prepare resource accounts under section 5 of the Government Resources and Accounts Act 2000;]
 - [^{F5}(aa) the National Assembly for Wales;]
 - (b) any body required to keep accounts under section 98 of the ^{M6}National Health Service Act 1977 or section 86 of the ^{M7}National Health Service (Scotland) Act 1978;
 - (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 enactment, including an enactment passed after this Act; and
 - (d) any authority or body which does not fall within section 7 below 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 passing of this Act, between that authority or body and a Minister of the Crown.
- (4) Where the functions of the Comptroller and Auditor General in relation to any authority or body falling within subsection (3)(c) or (d) above are by the enactment or agreement in question restricted to particular activities of the authority or body, any examination under this section in respect of that authority or body shall be correspondingly restricted.
- (5) No examination shall be carried out under this section by the Comptroller and Auditor General in respect of an authority or body falling within subsection (3)(d) above 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 Minister before the coming into force of this section and is not such as to allow any such examination; or
 - (b) a Minister makes an agreement after the coming into force of this section for the exercise by the Comptroller and Auditor General in respect of any

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authority or body of any such functions as are mentioned in subsection (3) (d) above,

the Minister shall, subject to subsection (6) below, use his best endeavours to secure from the authority or body in question such rights as will enable examinations under this section to be carried out in respect of that authority or body.

(6) Subsection (5) above shall not oblige a Minister to seek to obtain any rights except at the request of the Comptroller and Auditor General, and the obligations of a Minister under that subsection do not apply to any organisation which is the subject of an Order in Council under section 1 or 4 of the ^{M8}International Organisations Act 1968.

(7) In this section—

“authority” includes any person holding a public office;

“Minister” or “Minister of the Crown” includes any department falling within subsection (3)(a) above;

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

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

Textual Amendments

F4 S. 6(3)(a) substituted (1.4.2001) by 2000 c. 20, s. 29, **Sch. 1 para. 18(3)**; S.I. 2000/3349, **art. 3(1)(a)** (with transitional provision in **art. 5**)

F5 S. 6(3)(aa) inserted (1.12.1998) by 1998 c. 38, **s. 100(5)** (with ss. 139(2), 143(2)); S.I. 1998/2789, **art. 2**

Modifications etc. (not altering text)

C1 S. 6 applied (E.W.) by Water Act 1989 (c. 15, SIF 130), s. 1, **Sch. 1 Pt. II para. 22(4)** (with ss. 58(7), 101(1), 141(6), 160(1)(2)(4), 163, 189(4)–(10), 190, 193(1), Sch. 26 paras. 3(1)(2), 17, 40(4), 57(6), 58)

C2 S. 6 restricted (E.W.) by Education Reform Act 1988 (c. 40, SIF 41:1), ss. 135(2)(b), 231(7), 235(6)

C3 S. 6 applied (E.W.) by Housing Act 1988 (c. 50, SIF 61), s. 62(5), **Sch. 8 Pt. III para. 10(5)**

C4 S. 6 applied (E.W.) (1.12.1991) by Water Resources Act 1991 (c. 57, SIF 130), **ss. 122(4), 225(2)**.

C5 S. 6 restricted (16.5.1992) by Further and Higher Education (Scotland) Act 1992 (c. 37), s. 12, **Sch. 2 para. 19(b)**; S.I. 1992/817, art. 3(2), **Sch. 1**.

C6 S. 6 restricted (30.9.1992) by Further and Higher Education Act 1992 (c. 13), **s. 53(2)(b)**; S.I. 1992/831, art. 2, **Sch. 2**.

C7 S. 6 restricted (1.4.1993) by Further and Higher Education (Scotland) Act (c. 37), s. 53(2)(b); S.I. 1992/817, art. 3(2), **Sch. 4**.

C8 S. 6 applied (28.7.1995) by 1995 c. 25, **s. 46(4)** (with ss. 7(6), 115, 117); S.I. 1995/1983, **art. 2**
S. 6 restricted (2.9.1998) by 1993 c. 39, **s. 33(4)** (as inserted (2.9.1998) by 1998 c. 22, **ss. 5(1)(2), 27(5)**)

S. 6 restricted (1.12.1998) by 1998 c. 38, **s. 101(2)** (with ss. 139(2), 143(2)); S.I. 1998/2789, **art. 2**
S. 6 excluded (1.4.2000) by 1998 c. 46, s. 125, **Sch. 8 para. 20**; S.I. 1998/3178, art. 2(2), **Sch. 5**

C9 S. 6(3)(c) restricted (16.5.1992) by Further and Higher Education (Scotland) Act 1992 (c. 37), s. 12, **Sch. 2 para. 19(b)**; S.I. 1992/817, art. 3(2), **Sch. 1**.

C10 S. 6(3)(c) restricted (1.4.1993) by Further and Higher Education (Scotland) Act 1992 (c. 37), **s. 53(2)(b)**; S.I. 1992/817, art. 3(2), **Sch. 4**.

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Marginal Citations

- M6** 1977 c. 49.
M7 1978 c. 29.
M8 1968 c. 48.

7 Other bodies mainly supported by public funds.

- (1) If the Comptroller and Auditor General has reasonable cause to believe that any authority or body to which this section 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) Subsection (1) above 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 subsection (1) above whether the income of an authority or body is such as to bring it within that subsection the Comptroller and Auditor General shall consult that authority or body and the Treasury.
- (4) This section applies to any authority or body appointed, or whose members are required to be appointed, by or on behalf of the Crown except a body specified in Schedule 4 to this Act.
- (5) For the purposes of this section money is received from public funds if it is paid—
 - (a) by a Minister of the Crown out of moneys provided by Parliament or out of the National Loans Fund; or
 - (b) by an authority or body which itself falls within subsection (1) above, including an authority or body falling within that subsection by virtue of this 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 section “income” includes capital receipts and “authority” and “Minister of the Crown” have the same meaning as in section 6 above.

Modifications etc. (not altering text)

- C11** S. 7 excluded (E.W.) by London Regional Transport Act 1984 (c. 32, SIF 126), s. 24
- C12** S. 7 excluded (1.4.2000) by 1998 c. 46, s. 125, **Sch. 8 para. 20**; S.I. 1998/3178, art. 2(2), **Sch. 5**
S. 7 restricted (1.2.1999) by 1998 c. 38, s. 111, Sch. 9 Pt. I paras. 12, **13** (with ss. 139(2), 143(2)); S.I. 1999/118, **art. 2**
S. 7 restricted (1.7.1999) by 1993 c. 46, **Sch. 1A para. 14(2)** (as inserted (1.7.1999) by 1998 c. 38, s. 112, **Sch. 10 para. 17** (with ss. 139(2), 143(2)); S.I. 1999/1290, **art. 4**

8 Right to obtain documents and information.

- (1) Subject to subsection (2) below, the Comptroller and Auditor General shall have a right of access at all reasonable times to all such documents as he may reasonably require for

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carrying out any examination under section 6 or 7 above and shall be entitled to require from any person holding or accountable for any such document such information and explanation as are reasonably necessary for that purpose.

- (2) Subsection (1) above applies only to documents in the custody or under the control of the department, authority or body to which the examination relates.

Modifications etc. (not altering text)

- C13** S. 8 restricted (E.W.) by [Education Reform Act 1988 \(c. 40, SIF 41:1\)](#), ss. 135(2)(b), 231(7), 235(6)
- C14** S. 8 restricted (16.5.1992) by [Further and Higher Education \(Scotland\) Act 1992 \(c. 37\)](#), s. 12, [Sch. 2 para. 19\(b\)](#); S.I. 1992/817, art. 3(2), [Sch.1](#).
- C15** S. 8 restricted (30.9.1992) by [Further and Higher Education Act 1992 \(c. 13\)](#), s. 53(2)(b); S.I. 1992/831, art. 2, [Sch.2](#).
- C16** S. 8 restricted (1.4.1993) by [Further and Higher Education \(Scotland\) Act 1992 \(c. 37\)](#), s. 53(2)(b); S.I. 1992/817, art. 3(2), [Sch.4](#).
- S. 8 applied (30.11.2000) by 2000 c. 41, s. 1(6), [Sch. 1 para. 16\(2\)](#) (with s. 156(6))
- S. 8 applied (N.I.) (*prosp.*) by 2000 c. 32, ss. 29(3), 30(4), 79(1)

9 Reports to House of Commons.

The Comptroller and Auditor General may report to the House of Commons the results of any examination carried out by him under section 6 or 7 above.

Modifications etc. (not altering text)

- C17** S. 9 extended (1.4.2000) by 1999 c. 28, s. 39(7), [Sch. 4 para. 6](#) (with s. 38); S.I. 2000/1066, [art. 2](#)

PART III

MISCELLANEOUS AND SUPPLEMENTARY

10 Form of appropriation accounts.

Section 24 of the ^{M9}Exchequer and Audit Departments Act 1866 (which prescribes the form of appropriation accounts) shall cease to have effect.

Marginal Citations

- M9** 1866 c. 39.

11 Examination of appropriation accounts.

- (1) Section 1 of the ^{M10}Exchequer and Audit Departments Act 1921 (examination of appropriation accounts) shall be amended as follows.
- (2) The proviso to subsection (2) (which enables the Treasury to require the Comptroller and Auditor General to examine vouchers) shall cease to have effect.

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- (3) In subsection (3) for the words from the beginning to “such authority” (which enable the Treasury to require the Comptroller and Auditor General to ascertain whether any expenditure is supported by the authority of the Treasury) there shall be substituted the words “If in examining an appropriation account it appears to the Comptroller and Auditor General that the account includes any material expenditure requiring the authority of the Treasury which has been incurred without such authority he shall report that fact to the Treasury”.

Marginal Citations

M10 1921 c. 52.

12 Examination of accounts specified by order.

- (1) Section 3 of the Exchequer and Audit Departments Act 1921 (examination of accounts specified by Treasury minute) shall be amended as follows.
- (2) For subsection (1) there shall be substituted—
- “(1) The Comptroller and Auditor General shall examine the accounts of any person or body specified by an order made by the Treasury by statutory instrument; and no such order shall be made unless a draft of it has been laid before and approved by a resolution of the House of Commons.”
- (3) In subsection (2) for the words “the accountant” there shall be substituted the words “the person or body in question.”
- (4) Subsections (3) and (4) shall cease to have effect.

13 Interpretation of references to Committee of Public Accounts.

- (1) If at any time after the passing of this Act—
- (a) the name of the Committee of Public Accounts is changed; or
 - (b) the functions discharged by that Committee at the passing of this Act, or functions substantially corresponding thereto, are discharged by a different Committee of the House of Commons,
- references in this Act to the Committee of Public Accounts shall be construed as a reference to that Committee by its new name or, as the case may be, to the Committee for the time being discharging those functions.
- (2) Any question arising under this section shall be determined by the Speaker of the House of Commons.

Modifications etc. (not altering text)

C18 S. 13 applied (31.7.1998) by 1998 c. 38, s. 155(4) (with ss. 139(2), 143(2))

14 Repeals.

The enactments mentioned in Schedule 5 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

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15 Short title and commencement.

- (1) This Act may be cited as the National Audit Act 1983.
- (2) Subject to subsection (3) below, this Act shall come into force on 1st January 1984.
- (3) The repeal of section 8(2) of the Exchequer and Audit Departments Act 1921 shall not come into force until the end of the period of nine months beginning with that date; and until the end of that period section 3(6) above shall have effect as if for the words “shall be construed as a reference to the National Audit Office” there were substituted the words “shall be construed as including a reference to the National Audit Office”.

Status:

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Changes to legislation:

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