

GOVERNMENT RESOURCES AND ACCOUNTS ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Schedule 1: Minor and consequential amendments

Amendments to the Exchequer and Audit Departments Act 1866

122. There are a substantial number of very minor amendments to this Act (mostly removing obsolete references to the Bank of Ireland). The more substantial changes are:

Paragraph 5 - the number of minor amendments needed to section 13 (procedures for making payments for standing services out of the Consolidated Fund) were such that it was decided to replace the entire section.

Paragraph 7 - the number of minor amendments needed to section 15 (procedures for making payments for sums authorised by Parliament out of the Consolidated Fund) were such that it was decided to replace the entire section. The only substantive change (as opposed to a modernisation of the wording) is the requirement in subsection (6) that the Treasury shall send to the C&AG a daily statement specifying the services on account of which issues were made. This change reflects what has been the actual practice for a number of years.

Paragraph 8- this amends section 18 to retain the Treasury's power to determine at what banks departments may keep money while repealing obsolete provisions relating to individuals keeping public money in their own personal accounts.

Paragraph 11- this clarifies the continuing application of section 34. The repeal (in 1921) of section 33 had left it unclear which accounts were covered by section 34. The amendment in paragraph 11 makes clear that the only accounts covered by section 34 are those prepared under section 3 of the Exchequer and Audit Departments Act 1921.

Paragraph 13 - this repeals sections 39 and 41-44 of the Act that are now obsolete. These describe the arrangements for the audit and control of amounts of public money held in officials' private accounts.

Amendments to the Parliamentary Returns Act 1869

123. **Paragraph 14** substitutes a reference to resource accounts for one to appropriation accounts.

Amendments to the Exchequer and Audit Departments Act 1921

124. **Paragraph 15(2)** amends section 2 of the 1921 Act (accounts of receipts of revenue prepared by Inland Revenue and Customs and Excise) to enable the Treasury to direct the form of these accounts. This removes an anomaly whereby the Treasury had no

These notes refer to the Government Resources and Accounts Act 2000 (c.20) which received Royal Assent on 28 July 2000

statutory powers to determine the form of these accounts (in practice the Treasury has issued non-statutory accounts directions for these accounts for a number of years).

125. **Paragraph 15(3)** repeals section 4 of the Act (stock and store accounts). Separate stock and store accounts will not be necessary under RAB as stocks and stores will automatically be included within the normal audit as they will appear on departmental balance sheets.

Amendments to the Government Trading Funds Act 1973

126. This substitutes a reference to section 7 of the Bill for an existing reference to section 5 of the Exchequer and Audit Departments Act 1921.

Amendments to the House of Commons (Administration) Act 1978

127. **Paragraph 17** amends section 3 of the 1978 Act to enable the House of Commons to prepare its accounts on a RAB basis. Section 3(4) is entirely new and enables the House of Commons Commission to direct that income received can be applied as appropriations -in-aid in the same manner as applies to departments.

Amendments to the National Audit Act 1983

128. **Paragraph 18(2)** amends section 4 of the 1983 Act to enable the National Audit Office to prepare its own estimates and accounts on a resource basis.
129. **Paragraph 18(3)** substitutes a reference to resource accounts for a reference to appropriation accounts in section 6 of the 1983 Act.
130. **Paragraph 18(4)** amends paragraph 4(1) of Schedule 3 to the 1983 Act to reflect the move to RAB and requires the auditor of NAO to carry out the audit of NAO in the same manner as the C&AG will carry out his audits of departments.
131. **Paragraph 18(5)** substitutes a reference to resource accounts for a reference to appropriation accounts in paragraph 4(2) of Schedule 3 to the Act.

Amendments to the Health Service Commissioners Act 1993

132. **Paragraph 19** amends paragraph 11(1) of Schedule 1A to the Health Service Commissioners Act 1993 (Welsh Commissioner accounts) to provide that the accounts of the Health Service Commissioner for Wales are to be submitted to the Auditor General for Wales no later than 30th November in the financial year following that to which they relate. This replaces the existing requirement that they be submitted by 31st August. This reflects the date for submission of Departmental accounts to the Comptroller and Auditor General under section 5(5) of the Government Resources and Accounts Act.

Amendments to the Deregulation and Contracting Out Act 1994

133. **Paragraph 20** changes a reference to section 22 of the Exchequer and Audit Departments Act 1866 to a reference to subsections 5(6) and 5(8) of this Act.

Amendments to the Government of Wales Act 1998

134. **Paragraph 22** amends section 96 of the 1998 Act to provide that the Auditor General for Wales will carry out audits under section 10(2)(c) and (8)(c) of the Government Resources and Accounts Act of accounts where the Treasury has designated the Assembly for the purposes of section 10 of that Act or has made arrangements with the Assembly under section 10(8) of that Act.
135. **Paragraph 23** amends provisions in the Government of Wales Act relating to the date for the submission to the Auditor General for Wales of the accounts of the National

Assembly; the Chief Inspector of Schools in Wales; Forestry Commissioners and the Welsh Administration Ombudsman corresponding to that referred to in paragraph 19 of Schedule 1 (as described in paragraph 132 of these notes) in relation to the Health Service Commissioner for Wales.

136. **Paragraph 24** inserts a new section 101A (Whole of Government of Wales Accounts) into the Government of Wales Act. This will enable the National Assembly to produce “Whole of Government of Wales Accounts” in parallel with “Whole of Government” Accounts for the UK. These accounts will be examined by the Auditor General for Wales and will be laid before the National Assembly.

Amendments to the Tax Credits Act 1999

137. **Paragraph 25** removes an obsolete reference to “accounts” (necessary as references to accounts held at the Bank of Ireland have been removed).

Amendments to the Food Standards Act 1999

138. **Paragraph 26** changes references to appropriation accounts and to the Exchequer and Audit Departments Acts to references to the appropriate clauses of the Bill.

Wales: alteration of timetables for accounts

139. **Paragraph 27** empowers the Treasury to alter, subject to consultation with the National Assembly for Wales and the Auditor General for Wales, the timetable for production of the accounts of the Health Service Commissioner for Wales, National Assembly, Chief Inspector of Schools in Wales, Forestry Commissioners and the Welsh Administration Ombudsman, made by paragraphs 19 and 23 of Schedule 1. This Treasury power is in line with the power under section 22 to alter the statutory timetable for the production of the accounts of Whitehall Departments in order to encourage quicker completion of accounts.