

LOCAL AUDIT AND ACCOUNTABILITY ACT 2014

EXPLANATORY NOTES

COMMENTARY

Part 1 - Abolition of Existing Audit Regime

Section 1: Abolition of Audit Regime and Schedule 1: Abolition of Audit Commission: supplementary provision

14. **Section 1** repeals the Audit Commission Act 1998 and abolishes the Audit Commission for Local Authorities and the National Health Service in England (“the Audit Commission”).
15. **Schedule 1** provides for the Secretary of State to make a scheme to transfer the property, rights and liabilities of the Audit Commission to another body or individual. This includes providing for the Secretary of State to make payments in respect of the Audit Commission Pension Scheme. It also allows for the number of Audit Commission Board members to be reduced to reflect the transitional role of the Commission pending abolition. Upon closure of the Audit Commission, the Secretary of State must prepare a final statement of accounts for the last financial year of the Commission (unless the Audit Commission has already done so) and for any subsequent period up until the abolition of the Commission and send them to the Comptroller and Auditor General to inspect and report on. The Comptroller and Auditor General must then make arrangements to lay the statement of accounts and his or her report before Parliament. The Secretary of State must also prepare a final annual report about the discharge of the Audit Commission’s functions since its last annual report, which must also be laid before Parliament.
16. **Schedule 1** also provides for the repeal and revocation of various provisions consequential to the repeal of the Audit Commission Act 1998.