

SCHEDULE 2

(introduced by section 16(2))

RELATIONSHIP BETWEEN THE AUDITOR GENERAL AND THE WAO

PART 1

CODE OF PRACTICE

Preparation and approval etc

- 1 (1) The WAO and the Auditor General must jointly prepare a code of practice dealing with the relationship between the WAO and the Auditor General.
- (2) In doing so, they must seek to reflect the principle set out in section 8(1) and (2).
- (3) The WAO and the Auditor General must jointly review the code regularly and revise it as appropriate.
- (4) The code (including any revision) must be approved by the National Assembly.
- (5) For this purpose, the chair of the WAO and the Auditor General must lay the code (or revision) before the National Assembly.
- (6) The WAO and the Auditor General must each comply with a code approved by the National Assembly.
- (7) The WAO and the Auditor General must arrange for an approved code to be published.

Content

- 2 (1) The code must include—
 - (a) provision about how the WAO is to monitor the Auditor General’s functions for the purposes of section 17(1);
 - (b) provision about how advice is to be given by the WAO to the Auditor General for the purposes of section 17(2) (including the nature of the advice to be given);
 - (c) provision about standards for corporate governance.
- (2) The code may include provision about any other matter relevant to the relationship between the WAO and the Auditor General.

PART 2

REPORTS AND DOCUMENTS

Reports

- 3 (1) The Auditor General and the chair of the WAO must for each financial year jointly prepare an annual report on the exercise during the year of the functions of the Auditor General and the WAO.

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- (2) An annual report must include (amongst other things) an assessment of the extent to which—
 - (a) the exercise of the functions of the Auditor General and the WAO has been consistent with the annual plan prepared for the year under section 25;
 - (b) the priorities set out in the plan were achieved.
- (3) At least once during each financial year the Auditor General and the chair of the WAO must also jointly prepare a report on the exercise of the functions of the Auditor General and the WAO (an “interim report”).
- (4) An interim report must include (amongst other things) an assessment of the extent to which—
 - (a) the exercise of the functions of the Auditor General and the WAO has been consistent with the annual plan prepared for the year under section 25;
 - (b) progress has been made to achieve the priorities set out in the plan.
- (5) Nothing in this paragraph prevents the National Assembly from requiring the Auditor General and chair of the WAO to prepare an interim report at any time during a financial year.
- (6) The Auditor General and the chair of the WAO must jointly—
 - (a) lay the annual report before the National Assembly as soon as practicable after the end of a financial year;
 - (b) lay interim reports before the National Assembly on dates to be determined from time to time by the Assembly.

Documents and information

- 4 (1) Any document or information which a person is required to provide, or may provide, to the Auditor General, may be provided to the WAO (either by that person or by the Auditor General).
- (2) For the purposes of section 3(2) of the Freedom of Information Act 2000 and regulation 3(2) of the Environmental Information Regulations 2004 (or any regulations replacing those regulations), any document or information held by the WAO as mentioned in section 21(2)(d) of this Act is treated as held by the WAO on its own behalf.

PART 3

TEMPORARY EXERCISE OF THE FUNCTIONS OF AUDITOR GENERAL BY ANOTHER PERSON

- 5 The WAO, with the agreement of the National Assembly, may designate a person to exercise the functions of Auditor General temporarily in place of the Auditor General (“a temporary designation”).
- 6 A temporary designation may occur only in the following circumstances—
 - (a) the office of Auditor General is vacant,
 - (b) the Auditor General is unwilling to discharge the functions of the office,
 - (c) the WAO and the National Assembly consider that the Auditor General is unable to discharge the functions of the office, or

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- (d) the WAO and the National Assembly consider that there are grounds to remove the Auditor General from office because of misbehaviour.
- 7 The functions of the Auditor General referred to in paragraph 5 include (but are not limited to)—
- (a) functions as chief executive of the WAO (see section 16);
 - (b) if relevant, functions as accounting officer of the WAO (see paragraph 33(1) of Part 8 of Schedule 1);
 - (c) the power to delegate under section 18.
- 8 A person who is designated to exercise the functions of the Auditor General must be an employee of the WAO.
- 9 A person who is designated to exercise those functions will continue to be employed by the WAO on the same terms.
- 10 But that person will be designated to exercise functions on such additional terms (including terms as to remuneration) as are agreed by the WAO and the National Assembly.
- 11 The terms as to remuneration—
- (a) may provide for allowances, gratuities, and other benefits to cover expenses properly and necessarily incurred by the person in exercising the functions, and
 - (b) may include a formula or other mechanism for adjusting one or more of those elements from time to time.
- 12 But the terms as to remuneration may not provide for payment of an additional salary or pension.
- 13 The WAO must pay the person such remuneration as may be provided for by or under any additional terms as to remuneration as are agreed.
- 14 The duration of a temporary designation in relation to a circumstance referred to in paragraph 6—
- (a) may not exceed 6 months, but
 - (b) may be extended once by the WAO in relation to that circumstance, with the agreement of the National Assembly, for up to a further 6 months.