

**2004 No. 1714**

**GOVERNMENT RESOURCES AND ACCOUNTS**

**The Government Resources and Accounts Act 2000 (Audit  
of Health Service Bodies) Order 2004**

*Made* - - - - - *6th July 2004*

*Coming into force* - - - *12th July 2004*

Whereas it appears to the Treasury that each of the bodies listed in Schedule 1 exercises functions of a public nature or is entirely or substantially funded from public money;

And whereas a draft of this Order has been approved by a resolution of each House of Parliament pursuant to section 25(10) of the Government Resources and Accounts Act 2000(a);

Now, therefore, the Treasury, having consulted the Comptroller and Auditor General and in exercise of the powers conferred on them by section 25(6) and (7) of the Government Resources and Accounts Act 2000, hereby make the following Order:

**Citation and commencement**

1. This Order may be cited as the Government Resources and Accounts Act 2000 (Audit of Health Service Bodies) Order 2004 and comes into force on 12th July 2004.

**Health Service Bodies**

2.—(1) Those accounts of each of the Special Health Authorities listed in Schedule 1(b) that relate to financial years ending on or after the date shown opposite the name of the Special Health Authority in that Schedule shall be audited by the Comptroller and Auditor General.

(2) Accordingly, the consequential amendments in Schedule 2 have effect.

*Nick Ainger*  
*John Heppell*

6th July 2004

Two of the Lords Commissioners of Her Majesty's Treasury

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(a) 2000 c. 20.

(b) The bodies listed in Schedule 1 are all Special Health Authorities, established by orders made under section 11 of the National Health Service Act 1977 (c. 49), which was amended by the Health Authorities Act 1995 (c. 17), section 2(1) and Schedule 1, paragraph 2, and by the Health Act 1999 (c. 8), section 65 and Schedule 4, paragraphs 4 and 6.

SCHEDULE 1

Article 2(1)

NHSU	31st March 2004
NHS Direct	31st March 2005
NHS Professionals Special Health Authority	31st March 2004
NHS Pensions Agency	31st March 2005

SCHEDULE 2

Article 2(2)

CONSEQUENTIAL AMENDMENTS

*National Health Service Act 1977*

1.—(1) Section 98 of the National Health Service Act 1977(a) (accounts and audit of health bodies) is amended as follows.

(2) For subsection (1A) substitute—

“(1A) The second sentence of subsection (1) does not apply in relation to accounts of—

- (a) a Special Health Authority established as at 1st April 2003, in respect of a financial year ending on or after 31st March 2004,
- (b) the Dental Practice Board, in respect of a financial year ending on or after 31st March 2004,
- (c) NHSU and NHS Professionals Special Health Authority, in respect of a financial year ending on or after 31st March 2004,
- (d) NHS Direct and NHS Pensions Agency, in respect of a financial year ending on or after 31st March 2005.”

(3) After subsection 1B insert—

“(1BA) A body within subsection (1A)(c) shall send a copy of its accounts to the Comptroller and Auditor General—

- (a) in the case of accounts in respect of the financial year ending on 31st March 2004, as soon as reasonably practicable after 12th July 2004,
- (b) in the case of accounts in respect of a financial year ending after 31st March 2004, as soon as reasonably practicable following the end of that year.

(1BB) A body within subsection (1A)(d) shall send a copy of its accounts in respect of a financial year ending on or after 31st March 2005 to the Comptroller and Auditor General as soon as reasonably practicable following the end of that year.”

(4) In subsection (1C) after “subsection (1B)” insert “, (1BA) or (1BB)”.

*Audit Commission Act 1998*

2. In Schedule 2 to the Audit Commission Act 1998(b) (accounts subject to audit), for paragraph 1A substitute—

“1A But section 2 does not apply to accounts of—

- (a) a Special Health Authority established as at 1st April 2003, in respect of a financial year ending on or after 31st March 2004,
- (b) the Dental Practice Board, in respect of a financial year ending on or after 31st March 2004,
- (c) NHSU and NHS Professionals Special Health Authority, in respect of a financial year ending on or after 31st March 2004,
- (d) NHS Direct and NHS Pensions Agency, in respect of a financial year ending on or after 31st March 2005.”

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(a) 1977 c. 49; section 98(1A) to (1C) was inserted by S.I. 2003/1324, Article 2(2) and Schedule 2, paragraph 1(1) and (2).  
 (b) 1998 c. 18; paragraph 1A was inserted by S.I. 2003/1324, Article 2(2) and Schedule 2, paragraph 2.

## **EXPLANATORY NOTE**

*(This note is not part of the Order)*

This Order makes the Comptroller and Auditor General the auditor of the accounts of the bodies listed in Schedule 1. For NHS Professionals Special Health Authority and NHSU this audit arrangement applies to the accounts for a financial year ending on or after 31st March 2004. In the case of NHS Direct and NHS Pensions Agency this audit arrangement will apply to the accounts for a financial year ending on or after 31st March 2005. Without this Order, the Audit Commission would appoint the auditor of these bodies under section 98 of the National Health Service Act 1977 (1977 c. 49) and under section 2 of the Audit Commission Act 1998 (1998 c. 18). This Order also makes consequential amendments to existing legislation.

A body whose accounts are required by this Order to be audited by the Comptroller and Auditor General is required, by section 98(1C) of the National Health Service Act 1977 as amended by this Order, to lay its accounts before Parliament together with the Comptroller and Auditor General's report on the accounts.

NHSU was established by the NHSU (Establishment and Constitution) Order 2003 (S.I. 2003/2772); NHS Pensions Agency was established by the NHS Pensions Agency (Asiantaeth Pensiynau'r GIG) (Establishment and Constitution) Order 2004 (S.I. 2004/667); NHS Professionals Special Health Authority was established by NHS Professionals Special Health Authority (Establishment and Constitution) Order 2003 (S.I. 2003/3059); and NHS Direct was established by the NHS Direct (Establishment and Constitution) Order 2004 (S.I. 2004/569).

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business.

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STATUTORY INSTRUMENTS

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£3.00

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Printed and published in the UK by The Stationery Office Limited  
under the authority and superintendence of Carol Tullo, Controller of  
Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament.  
E0957 7/2004 140801 19585

ISBN 0-11-049506-3



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