

Committee on Standing Orders

CSO(2)-07-06 (p5)

Date: 3 July 2006

Venue: National Assembly for Wales, Cardiff Bay

Title: Standing Order 12 – Audit Committee

1. Background

1.1 SO 12 regulates the membership of the Audit Committee, sets out its responsibilities, the way it approaches its work and summoning of witnesses and production of documents.

2. New Standing Order

2.1 The annex sets out changes that will need to be made to the current SO to accommodate the Bill, and asks specific questions where there are options available. Once the Committee has agreed what will need to be included in the new SO the Clerks will draft a new SO for the Committee to agree.

3. Provisions in the Bill

3.1 While generally it will be for the Assembly to decide what committees it wishes to establish, clause 30 requires the Assembly to have an Audit Committee in order to discharge certain statutory functions under the Act.

3.2 Clause 30 sets out the following provisions:

The Audit Committee is to have the number of members specified in the SOs.

None of the following may be a Member of the Audit Committee:

the First Minister or any person designated to exercise the functions of First Minister;

a Welsh Minister;

the Counsel General or any person designated to exercise the functions of Counsel General;

a Deputy Welsh Minister.

The Committee must not be chaired by an Assembly member who is a member of a political group with an executive role.

3.3 It should be noted that the D'hondt formula in clause 29 will apply to the Audit Committee unless disapplied by a resolution supported by at least two-thirds of those voting.

4. Functions of the Committee.

4.1 Some specific functions are conferred on the Committee in schedule 8 relating to the Auditor General's estimates (budget) and a provision to report to the Assembly on the Auditor General's accounts is covered in clause 142. This clause also provides for the Audit Committee to take evidence from certain persons if requested to do so by the House of Commons Public Accounts Committee. Provision for these functions has been included in the annex.

5. Temporary chairing and substitutions

5.1 General provisions for chairing and substitutions may be better dealt with by a separate SO relating to procedures in Committees, in this event 12.9 and 12.10 would not be necessary in their present form. This SO will need some specific provisions to ensure that the Committee is not chaired by a Member who is a member of a political group with an executive role and that substitute members are not anyone who would not be eligible to be a member of the Committee under the Act.

5.2 We propose that provisions for chairing and substitutions be dealt with under a general SO relating to procedures in Committees, save for the specific provisions in the Bill relating to the Audit Committee.

Q – Are members content with this approach.

6. Power to call witnesses

6.1 SO 12 also sets out the procedure for calling witnesses or production of documents in relation to the Audit Committee. SO 9 on subject committees also includes provisions for this, duplicating the procedures somewhat. Clause 37 in the Bill sets out the powers to call witnesses the Assembly will have and covers all Assembly proceedings. This includes committees and makes specific reference to the Audit committee, although the Audit Committee does not have any different powers to any other Committee of the Assembly in this regard.

6.2 We propose that a separate SO be written to cover procedures for calling witnesses and production of documents and remove the provisions in 12.11- 12.15 of this SO. This would simplify the present situation.

Q – Are members content with this approach?

7. Action

7.1 To agree the principles to be included in this SO as outlined in this paper and the attached annex.

Government of Wales Bill Procedures Unit

June 2006