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Deputy Clerk  
Public Accounts Committee  
National Assembly for Wales  
Cardiff bay  
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By Email: [PublicAccounts.Committee@Wales.gov.uk](mailto:PublicAccounts.Committee@Wales.gov.uk)

24 October 2012

Dear Sarah,

### **Public Audit (Wales) Bill**

Firstly, please accept my sincere apologies for not being able to attend the hearing on 6 November due to a clash with another select committee hearing. However, on behalf of ACCA (The Association of Chartered Certified Accountants) I welcome the opportunity to submit a response on the Public Audit (Wales) Bill.

ACCA is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management. We support our 147,000 members and 424,000 students throughout their careers, providing services through a network of 83 offices and centres. A significant proportion of our members also work within the public sector.

In our response to the public (Wales) draft Bill consultation in May 2012 we set out that we were generally supportive of the changes set out in the draft Bill as they would bring about stronger governance and will help strengthen Assembly oversight. We agreed with the rationale for oversight by the PAC of the Auditor General for Wales (AGW), but believed that the proposals set out could potentially over burden the PAC with detailed business planning arrangements at the expense of concentrating on the scrutiny of Welsh public expenditure. We are pleased to note that the Bill now provides for oversight to be undertaken by the National Assembly rather than being prescribed by the PAC.

We also endorse the Institute of Chartered Accountants of England and Wales (ICAEW) concern that the legislation doesn't quite go far enough to protect auditor independence. Clauses 25 and 26 seem to suggest that the Board can directly intervene on the AGW work programme. In our view the Board's role

should be one of oversight and not one of management – the auditor general should be free to determine the scope of work and how it should be performed.

In comparison, England has a separate Public Accounts Commission to deal with NAO business planning, resourcing and oversight which means that the Westminster PAC is better placed to concentrate on holding Government to account. This arrangement also ensures that business planning arrangements do not impinge on the Auditor General's statutory functions and preserves auditor independence

I hope you find the above observations useful. If you would like to discuss any of the above further please contact Gillian Fawcett (Head of Public Sector) on 02070595674 or e-mail: [gillian.fawcett@accaglobal.com](mailto:gillian.fawcett@accaglobal.com)

A handwritten signature in black ink, appearing to read 'Gillian Fawcett', written in a cursive style.

**Gillian Fawcett**  
Head of Public Sector