

INTERNAL AUDIT BUREAU BILL 1992

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The objects of this Bill are:

- (a) to constitute a statutory body to be called the Internal Audit Bureau of New South Wales; and
- (b) to provide for the transfer of the staff of the Internal Audit Bureau of the Treasury, and the assets and liabilities of that branch of the Treasury, to the new body; and
- (c) to confer certain functions (in particular, the provision of audit, management review and consultancy services to public authorities) on the new body; and
- (d) to establish a Board of Management for the new body; and
- (e) to require the new body to pay dividend contributions to the Treasurer for payment into the Consolidated Fund.

The Bill also contains amendments to certain other Acts, and certain savings and transitional provisions, consequential on the enactment of the proposed Act.

PART 1—PRELIMINARY

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day to be appointed by proclamation.

Clause 3 defines certain words and expressions (“Board”, “Bureau” and “public authority”) for the purposes of the proposed Act.

PART 2—INTERNAL AUDIT BUREAU OF NEW SOUTH WALES

Division 1—Constitution and functions

Clause 4 constitutes a body corporate with the name of the Internal Audit Bureau of New South Wales and provides that the Bureau is to be a statutory body representing the Crown.

Internal Audit Bureau 1992 [Act 1992 No. 20]

Clause 5 specifies the functions of the Bureau, which are to include the provision of audit, management review and consultancy services to public authorities.

Division 2—Management

Clause 6 establishes a Board of Management for the Bureau. The Board is to comprise a Chief Executive, a Treasury nominee and 2 other members appointed by the Governor on the recommendation of the Minister. The Treasury nominee is to be the Chairperson of the Board and one of the 2 members (other than the Chief Executive) is to be appointed as Deputy Chairperson of the Board.

Clause 7 confers on the Board certain policy-making and supervisory functions.

Clause 8 provides for the appointment of the Chief Executive, who is to be a Chief Executive Officer under the Public Sector Management Act 1988. The clause also provides for the appointment and remuneration of an acting Chief Executive.

Clause 9 confers on the Chief Executive the functions of managing and controlling the Bureau's affairs.

Clause 10 enables the Bureau to employ its own staff and to fix their conditions of employment.

Clause 11 enables the Bureau to make use of the staff and facilities of other public authorities.

Clause 12 enables the Bureau to employ consultants.

Division 3—Financial provisions

Clause 13 provides for the establishment of an Internal Audit Bureau of New South Wales Fund in the Special Deposits Account and for the payment of money into and out of the Fund.

Clause 14 requires the Bureau to make dividend contributions to the Treasurer for payment into the Consolidated Fund. The amount of any contribution is to be fixed by the Treasurer.

Clause 15 provides for the investment of money held by the Bureau.

Clause 16 fixes the financial year of the Bureau as the year beginning on 1 July.

Division 4—General provisions

Clause 17 exempts members of the Board and other persons from personal liability for acts and omissions of the Bureau, the Board, any member of the Board or any other person acting under the direction of the Bureau or the Board.

Clause 18 makes provision with respect to the Bureau's seal.

Internal Audit Bureau 1992 [Act 1992 No. 20]

Clause 19 provides for the service of documents on the Bureau.

Clause 20 enables the Bureau to recover unpaid charges, fees and other amounts in any court of competent jurisdiction.

PART 3—MISCELLANEOUS

Clause 21 enables the Governor to make regulations for the purposes of the proposed Act.

Clause 22 is a formal provision that gives effect to Schedule 2 (Amendment of other Acts).

Clause 23 is a formal provision that gives effect to Schedule 3 (Savings, transitional and other provisions).

**SCHEDULE 1—PROVISIONS RELATING TO THE CONSTITUTION AND
PROCEDURE OF THE BOARD**

The Schedule contains the following provisions:

Part 1—Preliminary

Definitions (clause 1)

Part 2—Constitution

- Deputies (clause 2)
- Terms of office of appointed members (clause 3)
- Remuneration (clause 4)
- Vacancy in office of appointed member (clause 5)
- Disclosure of pecuniary interests (clause 6)
- Filling of vacancy in office of appointed member (clause 7)
- Effect of certain other Acts (clause 8)

Part 3—Procedure

- General procedure (clause 9)
- Quorum (clause 10)
- Presiding member (clause 11)
- Voting (clause 12)
- Transaction of business outside meetings or by telephone etc. (clause 13)
- First meeting (clause 14)

SCHEDULE 2—AMENDMENT OF OTHER ACTS

The Schedule makes consequential amendments to the following Acts:

- Public Authorities (Financial Arrangements) Act 1987
- Public Finance and Audit Act 1983
- Public Sector Management Act 1988
- State Authorities Non-contributory Superannuation Act 1987
- State Authorities Superannuation Act 1987
- Superannuation Act 1916

Internal Audit Bureau 1992 [Act 1992 No. 20]

SCHEDULE 3—SAVINGS, TRANSITIONAL AND OTHER PROVISIONS

The Schedule contains the following provisions:

- Regulations (clause
 - Abolition of Internal Audit Bureau of the Treasury (clause 2)
 - Transfer of staff (clause 3)
 - Reappointment to the Public Service (clause 4)
 - Transfer of assets and liabilities (clause 5)
-