POLICY NOTE

THE COMPANIES ACT 2006 (SCOTTISH PUBLIC SECTOR COMPANIES TO BE AUDITED BY THE AUDITOR GENERAL FOR SCOTLAND) ORDER 2026

SSI 2026/21

The above instrument was made in exercise of the powers conferred by section 483(1) and (4) of the Companies Act 2006. The instrument is subject to affirmative procedure.

Summary Box

The accounts of Caledonian Sleeper Ltd and ScotRail Trains Ltd are to be audited by the Auditor General for Scotland.

Policy Objectives

The audits of Caledonian Sleeper Ltd and ScotRail Trains Ltd assess the efficient and effective operation of Scotland's Railway to support Scotland's economy through connecting communities and businesses and contributing to tackle climate change. The recommended change should improve the scope and assurance of this assessment. It is anticipated that it will cost less for the audits of Caledonian Sleeper Ltd and ScotRail Trains Ltd to be undertaken by the Auditor General for Scotland than the current arrangement.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children's rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the Companies Act 2006 (Scottish public sector companies to be audited by the Auditor General for Scotland) Order 2026 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

Audit Scotland and Scottish Rail Holdings Limited Group were consulted during the preparation of the instrument. Responses confirmed that the AGS is willing to assume the auditing role.

Impact Assessments

A Child Rights and Wellbeing Impact Assessment has been prepared, as required by the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, and published online at www.legislation.gov.uk.

Financial Effects

The Cabinet Secretary for Transport confirms that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

As a result of the current auditor's contract expiry there are no financial or legal penalties arising for Caledonian Ltd or ScotRail Trains Ltd.

Scottish Government
Transport Scotland
Rail Directorate

11 November 2025